COMMITTEE REPORT NO. 13 14 (6) TABLED ON JUN 0 5 2003

14th Legislative Assembly of the Northwest Territories

Final Report of the Special Joint Committee on Non-Tax-Based Community Affairs

Strengthening GNWT Support to Smaller Communities

Chairperson: Mr. Michael McLeod, MLA

Northwest Territories Legislative Assembly

Special Joint Committee on
Non-Tax-Based Community Affairs

JUN 05 2003

THE HONOURABLE ANTHONY (TONY) WHITFORD, MLA
SPEAKER OF THE LEGISLATIVE ASSEMBLY

Mr. Speaker:

Your Special Joint Committee on Non-Tax-Based Community Affairs is pleased to present its Final Report on Strengthening GNWT Support to Communities and commends it to the House.

Sincerely,

Michael McLeod, MLA
Chairperson

SPECIAL JOINT COMMITTEE ON NON-TAX-BASED COMMUNITY AFFAIRS

Committee Members

Michael McLeod
MLA, Deh Cho
Chairperson

David Krutko
MLA, Mackenzie Delta
Deputy Chairperson

Leon Lafferty
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Special Joint Committee on
Non-Tax-Based Community Affairs
Final Report on Strengthening GNWT Support to Communities

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Introduction

The Special Joint Committee on non-tax-based Community Affairs started its work in April 2002. Its purpose was to identify the actions that the GNWT can take to improve the quality of life in these communities. The Committee held community consultation workshops for representatives from three different groups of communities; the eleven smallest communities, the nine mid-sized communities and the seven largest Hamlets and Charter Communities. The Committee also initiated several research projects to increase their understanding about the GNWT programs and services in these communities.

27 of the 33 communities in the NWT are communities, which are of interest to the Committee. These 27 communities differ from the regional centers and Yellowknife in more than just population. They have a larger percentage of aboriginal residents than the regional centers. More of their residents participate in hunting and fishing activities and speak their aboriginal language. However, the residents in these communities have lower levels of educational achievement and have higher unemployment rates than residents in regional centers. Although these 27 communities are growing more slowly than the tax-based communities, they have higher crime rates. The GNWT programs and services that are delivered in these communities seem to be delivered at lower standards. The GNWT facilities are getting old, but the new corporate capital planning process does not seem to be able to accommodate the needs of these communities.

Based on the consultations with community leaders and on the results of the research projects, the Committee Members have proposed changes to the GNWT's corporate capital planning process. The GNWT cannot explain how it plans for its new facilities or how it makes project funding decisions. Many people think that the GNWT is not keeping up with the capital funding needs of the smaller communities, because it is building new large facilities in the regional centers, such as, the correctional centre in Yellowknife and the hospital in Inuvik. The Committee Members also heard from many community representatives about the importance of prevention and development programs in their communities. They were told that the funding arrangements for these programs do not support a comprehensive or sustained community effort. The Committee has proposed a new approach for these programs. The Members have asked the GNWT to organize its service standards more clearly and to increase access to housing in these communities. The GNWT should also increase its support for the Community Constable Program. To conclude our report, the Committee identified some changes that could be made to the GNWT organization so that it could provide better support to the small communities.

Concerns of Residents in Smaller Committees

Three consultation workshops were organized as part of the Committee's work plan. Representatives from eleven smallest communities were invited to participate in a workshop session at the North Nahanni Lodge. Representatives from the nine mid-sized communities were invited to a workshop in Wekweti. The seven largest Hamlets and Charter Communities sent representatives to a workshop in Tuktoyaktuk. In all, 19 of the 27 communities sent representatives to participate in the workshops.

The community representatives are concerned about:

- Insufficient capital funding.
- Lack of clarity about capital project selection and management.
- Complicated administration and uncoordinated contribution funding for small projects with short term funding.
- Ensuring continuing support from the GNWT for developmental and preventative programs. Their view is that these programs are at least as important as the programs dealing with treatment, crisis intervention and problem management.
- Their experience that many HQ and regional GNWT employees don't have the skills to be able to provide practical hands-on assistance and useful expertise in small communities.

Interim Report October 2002

The Committee Members understood that the Government was interested in hearing from the Committee as soon as possible. They wanted the Government to have time to consider changes, which could be incorporated into the GNWT budget for 2004-2005. The Members also wanted time to distribute the report and hear back from community representatives.

Thirteen recommendations were made to the GNWT:

Capital Planning and Funding

A. Provide better support to small community governments and assist them to do their own capital planning, project management and engineering.

B. Improve the community consultation process by establishing a meaningful consultation process that is coordinated across departments, regions and communities and provides useful information about capital planning and funding.

C. Modify the criteria for prioritizing projects by using fewer and simpler criteria and ensuring that community government facilities are included in the capital planning.

D. Document roles and responsibilities for capital planning in clear language, so that it is explained for GNWT staff, community governments and MLAs.

E. Increase the Capital Budget in order to realistically manage the replacement of the GNWT's aging inventory, respond to growth, and make up for previous years' shortfalls.

Development and Prevention Programs

A. Consolidate prevention and development contribution funding into one fund located in one department and increase the available funding.

B. Simplify the administration of this funding and ensure that communities are supported in the development and implementation of a sustained community-based effort to create lasting changes in the lives of community residents and improve the well-being of the community.

Access to Services

A. Establish service delivery standards in smaller communities and be accountable for meeting the standards.

B. Increase and strengthen access to policing services by expanding support for the Community Constable Program and the First Nations Policing Program.

C. Increase access to the Home Ownership Programs by developing block-funding approaches with local governments and increasing the flexibility of housing program eligibility requirements.

D. Emphasize the importance of prevention programs to increase the response to the alcohol and drug abuse problems in small communities.

Other Topics

A. Implement changes in GNWT structure, organization and operations to ensure that GNWT regional staff can provide more coordinated assistance to the smallest communities.

B. Publish plain language, "user-friendly" reports regarding capital expenditures, service standards, and programs and services in a timely manner.

Additional Discussions with Community Leaders

In November, the Interim Report was distributed to every community and posted on the Legislative Assembly's website. Several of the Committee Members met with a representative group of community government administrators (Local Government Administrators of the NWT) to review the report. The group of community government representatives generally supported the recommendations. However, they were not optimistic that the GNWT would make the recommended changes.

In December, several Committee Members met with representatives of the Akaitcho First Territory to discuss the Committee's work. In February 2003, the Yellowknives Dene First Nation wrote to the Committee to emphasize the need to treat Ndilo as separate community from the City of Yellowknife for funding and program purposes.

There were additional letters, including correspondence from the City Of Yellowknife, the NWT Association of Communities and an individual from Fort Providence.

The discussions revealed concerns about:

- The treatment of Band Council Governments compared to municipal governments, especially when the Band Councils are near or part of a large municipality, such as Ndilo or West Point.
- Education
- Property taxation
- Housing

Government's Response to the Interim Report

On February 28, 2003, the Premier tabled the Government's Response to the Committee's Interim Report. The Committee Members have carefully reviewed the report. The Committee Members are very disappointed by the Government's response. In their view, it shows little willingness to acknowledge the concerns of the community leaders or implement any changes to GNWT activities.

The responses to the recommendations of the Committee refer to many "reviews", which appear to be underway in the GNWT. The GNWT has made only a few commitments and did not identify a schedule for those commitments. Many of the GNWT remarks about the Committee's recommendations are justifications of the Government's view about why change is not needed or is not possible.

The Committee Members and community leaders have not changed their views about the recommendations in the Interim Report. The thirteen recommendations of this Committee remain unchanged. The Government's response did not warrant a re-consideration of these proposals.

Other Important Issues

The Committee had a short time and limited resources. Much of their effort was focused on the inadequacy of the GNWT's capital planning process. The Committee Members heard about many other issues that require further examination and discussion, such as:

- Different treatment for First Nation governments and municipal governments
- Education
- Property taxation
- Housing
- Funding methodologies for allocating funding

Treatment of Band Council Governments

It appears that the GNWT treats Band Councils differently from municipal governments and does not treat all Band Councils in the same way. Band Councils, such as Ndilo and West Point, experience this difference most clearly when they try to access GNWT funding.

Education

Education remains a significant concern for the Committee Members. Many parents are concerned that education services in the smaller communities are delivered to a lower standard than education services in the larger communities. Poor teachers' housing, high teacher turnover and teachers' lack of experience may be some of the contributing factors, which may result in lower educational achievements. The Committee Members recommend that there should be an examination of the educational challenges and solutions in small communities.

Property Taxation

The Committee Members have heard from many residents in small communities about property tax concerns, year after year. It is time for these problems to be tackled and resolved. The Committee Members recommend that there should be a review of the property taxation issues in the small communities, where the GNWT administers property taxation.

Housing

The Committee Members remain concerned about the lack of affordable housing in many smaller communities. The existing government programs have not effectively responded to the need for housing for teachers, community government staff and other community residents.

Options for Funding Methodologies

The Committee Members developed recommendations about capital and application-based contribution funding. Their examination indicated that most of the government's funding is not based primarily or solely on population criteria. However, the allocations usually do take population into consideration in various ways. Most GNWT contribution funding is not guided by well-defined allocation criteria. The Committee members recommend that there should be a review of funding methodologies in order to determine options that would be useful for GNWT funding in the smaller communities.

A Standing Committee on Small Communities

The Committee Members found that there was great value in being able to undertake practical research and discuss issues with community leaders. The work of the Committee is one of a few ways that the smaller communities can have a voice that is constructive and potentially effective at resolving common concerns for a majority of the NWT communities. Committee Members know that they cannot make decisions for the next Legislative Assembly. They will recommend however, that the Members of the next Legislative Assembly establish a Standing Committee on Small Communities and that the present government reflect this recommendation in the transition plan to the next Legislative Assembly. Therefore, the Special Joint Committee on Non-Tax-Based Community Affairs recommends:

That the 15th Legislative Assembly establish a Standing Committee on Small Communities to represent the interests of, and improve the quality of life in, the non-tax-based municipalities in the Northwest Territories.

This report already identifies some of the work that could be undertaken by that Committee. The Committee could accomplish significant work in order to challenge northerners to understand and appreciate the needs of the smaller communities and perhaps, even assist the Government to take new steps and build better tomorrows.

APPENDIX I

COMMITTEE REPORT NO. 1 14 (5) TABLED ON OCT 31 2002

14th Legislative Assembly of the Northwest Territories

Interim Report of the Special Joint Committee on Non-Tax-Based Community Affairs

Strengthening GNWT Support to Smaller Communities

Chairperson: Mr. Michael McLeod, MLA

Northwest
Territories Legislative Assembly

Special Joint Committee on
Non-Tax-Based Community Affairs

OCT 31 2002

THE HONOURABLE ANTHONY (TONY) WHITFORD, MLA
SPEAKER OF THE LEGISLATIVE ASSEMBLY

Mr. Speaker:

Your Special Joint Committee on Non-Tax-Based Community Affairs is pleased to present its Interim Report and commends it to the House.

Sincerely,

Mr. Michael McLeod, MLA
Chairperson

SPECIAL JOINT COMMITTEE ON NON-TAX-BASED COMMUNITY AFFAIRS

Committee Members

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MLA, Deh Cho
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Executive Summary

The Special Joint Committee on non-tax-based Community Affairs started its work in April 2002. We are interested in the well being of 27 smaller communities in the NWT. Our purpose is to identify the actions that the GNWT can take to improve the quality of life in these communities. We held community consultation workshops for three different groups of communities, the eleven smallest communities, the nine mid-sized communities and the seven largest Hamlets and Charter Communities. We initiated several research projects to increase our understanding about needs in these communities.

The 27 communities differ from the regional centres and Yellowknife in more than just population. These 27 communities have a larger percentage of aboriginal residents. More of their residents participate in hunting and fishing activities and speak their aboriginal language. However, the residents in these communities have lower levels of educational achievement and have higher unemployment rates. Although these 27 communities are growing more slowly than the tax-based communities, they have higher crime rates. The GNWT programs and services that are delivered in these communities seem to be delivered at lower standards. The GNWT facilities are getting older and the new corporate capital planning process does not seem to be able to accommodate the needs in these communities.

The Committee Members have proposed changes to the GNWT's corporate capital planning process. Few people understand how the GNWT plans for its new facilities or how it makes project funding decisions. Many people think that the GNWT is not keeping up with the capital funding needs of the smaller communities, because it is building new large facilities in the regional centres, such as the correctional centre in Yellowknife and the hospital in Inuvik. The Committee Members also heard from many community representatives about the importance of prevention and development programs in their communities. We also were told that the funding arrangements for these programs do not support a comprehensive or sustained community effort. The Committee has proposed a new approach for these programs. We have also asked the GNWT to organize its service standards more clearly and to increase access to housing in these communities. The GNWT should also increase its support for the Community Constable Program. To conclude our report, we identified some changes that could be made to the GNWT organization in order to provide better support to the small communities.

We have made this report now in order to seek feedback from community representatives and the Government. All the Members of the Committee believe that our work has been worthwhile. We have truly appreciated the constructive input of many community representatives and hope that together we have made a contribution to the well being of the smaller communities in the NWT.

Summary of Recommendations for the GNWT

Chapter 3: Capital Planning and Capital Funding

A. Provide better support to small community governments and assist them to do their own capital planning, project management and engineering.

B. Improve the community consultation process by establishing a meaningful consultation process that is coordinated across departments, regions and communities and provides useful information about capital planning and funding.

C. Modify the criteria for prioritizing projects by using fewer and simpler criteria and ensuring that community government facilities are included in the capital planning.

D. Document roles and responsibilities for capital planning in clear language, so that it is explained for GNWT staff, community governments and MLAs.

E. Increase the Capital Budget in order to realistically manage the replacement of the GNWT's aging inventory, respond to growth, and make up for previous years' shortfalls.

Chapter 4: Development and Prevention Programs

A. Consolidate prevention and development contribution funding into one fund located in one department and increase the available funding.

B. Simplify the administration of this funding and ensure that communities are supported in the development and implementation of a sustained community-based effort to create lasting changes in the lives of community residents and improve the well-being of the community.

Chapter 5: Access to Services

A. Establish service delivery standards in smaller communities and be accountable for meeting the standards.

B. Increase and strengthen access to policing services by expanding support for the Community Constable Program and the First Nations Policing Program.

C. Increase access to the Home Ownership Programs by developing block-funding approaches with local governments and increasing the flexibility of housing program eligibility requirements.

D. Emphasize the importance of prevention programs to increase the response to the alcohol and drug abuse problems in small communities.

Summary of Recommendations for the GNWT (cont'd)

Chapter 6: Other Topics

A. Implement changes in GNWT structure, organization and operations to ensure that GNWT regional staff can provide more coordinated assistance to the smallest communities.

B. Publish plain language, "user-friendly" reports regarding capital expenditures, service standards, and programs and services in a timely manner.

Chapter 1: Introduction

The following report is the first report of the Special Joint Committee on Non-Taxed-Based Community Affairs and represents the work of the Members over the last six months. The report is organized under six chapters. Chapter 1 provides an overview of the Committee's approach to the work including the activities and research conducted that are the basis for this report. Chapter 2 reviews current socio-economic and demographic patterns and trends observed among the non-tax-based communities relative to the larger regional centres. Chapters 3, 4 and 5 present the results of research and consultations conducted by the Committee, the key issues identified and the proposed recommendations for change in the following areas: Capital Planning and Capital Funding (Chapter 3); Development and Prevention Programs (Chapter 4); and Access to Services (Chapter 5). Chapter 6 briefly examines a number of other topics that emerged during the Committee's work and provides recommendations in the area of GNWT Organization and Structure and the timely publication of GNWT data and information relevant to all communities.

1.1 Initial Activities of the Committee

The Special Joint Committee on Non-Taxed-Based Community Affairs began its work in April, 2002. In May, 2002, Hal Gerein of H. J. Gerein & Associates, Inc., served as a facilitator for the first three meetings. On May 2, 3 and 4, 2002, GNWT departments made presentations about topics and issues that Members had identified in an earlier session with Mr. Gerein. The information received at those sessions assisted us in the development of our broad work plan, which we approved in May. Following an assessment of submissions in response to our Request for Proposals, the Committee contracted Terriplan Consultants of Yellowknife to provide Project Management and Research services. The Committee subsequently completed the detailed work plan, consultation plans and communications activities.

1.2 Approach to Work Plan

A. Time Frame

Following the work plan, the Committee used the summer months to undertake the research projects and consultation activities aimed at: identifying groups of communities to help focus research projects; documenting "best practices" from other places; examining funding criteria; recommending guidelines for locations of GNWT events; and organizing consultation events and communications newsletters. The Members would then have time for our own discussions and preparation of recommendations for the Committee Report.

B. Identification of Groups of Communities

We are interested in the well being of residents in 27 non-tax-based communities in the NWT. To maximize the value of the research projects and gain a slightly different perspective on NWT communities, we agreed to work with "groups" of communities. Although each community is unique, many communities share some common characteristics. There seems to be three obvious groups of communities, when their population size is considered. Consequently, three groups of communities were identified – the eleven smallest communities, the seven largest communities and the nine middle-sized communities (Figure 1-1).

Figure 1-1.
Classification of three community groupings

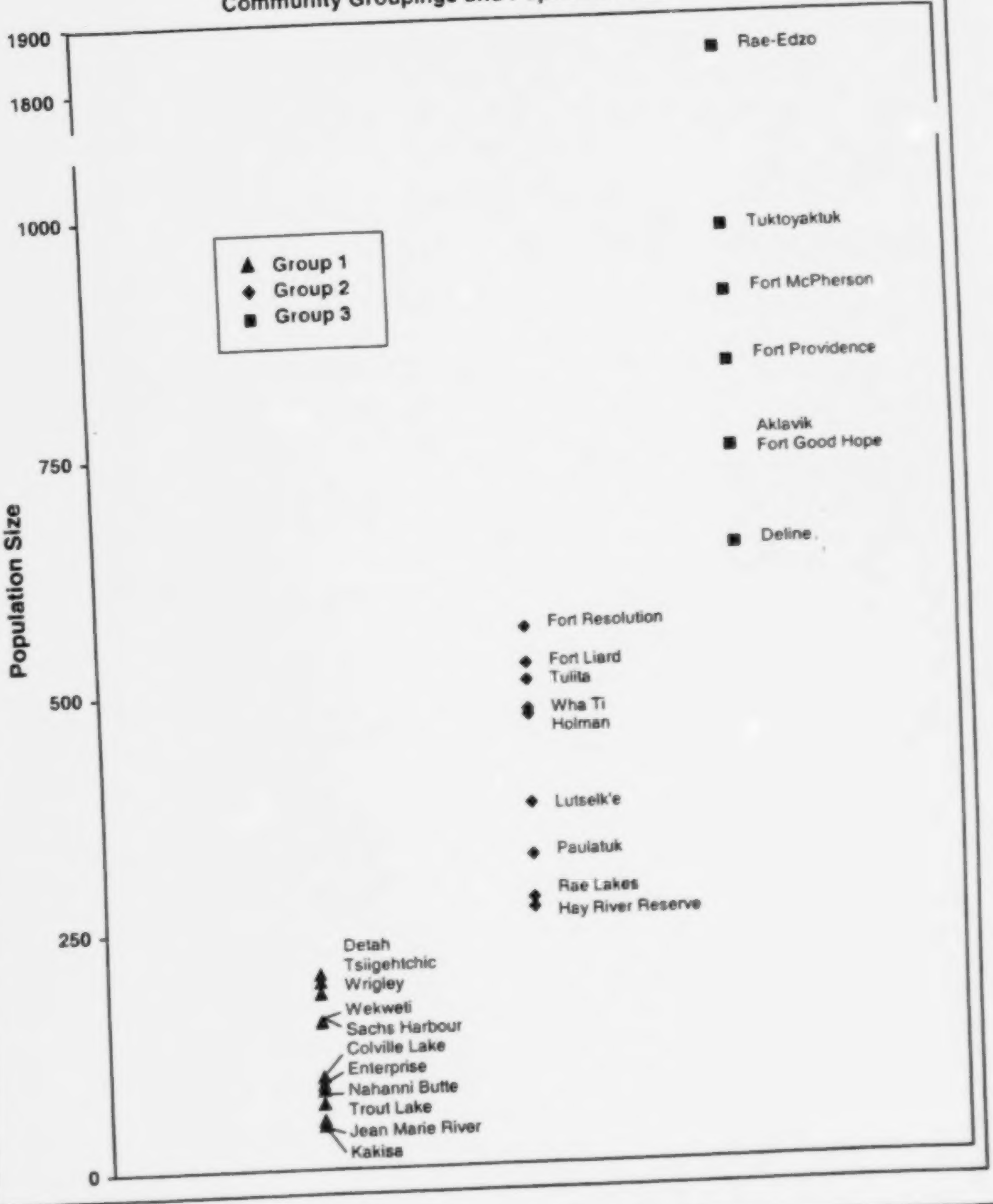
Group 1 Smallest Communities	Group 2 Middle Sized Communities	Group 3 Largest Communities
Colville Lake	Fort Liard	Aklavik
Detah	Fort Resolution	Deline
Enterprise	Hay River Reserve	Fort Good Hope
Jean Marie River	Holman	Fort McPherson
Kakisa	Lutsel K'e	Fort Providence
Nahanni Butte	Paulatuk	Rae-Edzo
Sachs Harbour	Rae Lakes	Tuktoyaktuk
Trout Lake	Tulita	
Tsiigehtchic	Wha Ti	
Wekweti		
Wrigley		

Figure 1-2 shows the 27 communities in their three groups in relation to their population size.

C. Research Projects

The Committee completed several research projects intended to identify, compile and assess information that could be used for background, issue identification, discussion and the development of recommendations at the consultation workshops and at Committee meetings.

Figure 1-2.
Community Groupings and Population Size



D. Consultation Activities

Three consultation workshops were organized as part of the Committee's work plan. Representatives from Group 1 communities were invited to participate in a workshop session at the North Nahanni Lodge. Group 2 communities were invited to a workshop in Wekweti. The 7 largest Hamlets in Group 3 sent representatives to a workshop in Tuktoyaktuk. In all, 19 of the 27 communities sent representatives to participate in the workshops.

Before each workshop, participants were asked for input into the topics to be discussed at each workshop. Committee Members also participated in each workshop. The general approach for each workshop was to review a short report with information about the selected topic. A structured discussion about challenges and new directions followed. Each workshop involved 10-15 community representatives. Reports from each workshop were prepared for the Committee Members.

The community representatives expressed concerns about:

- Insufficient capital funding.
- Lack of clarity about capital project selection and management.
- Complicated administration and uncoordinated contribution funding for small projects with short term funding.
- Ensuring continuing support from the GNWT for developmental and preventative programs. Their view is that these programs are at least as important as the programs dealing with treatment, crisis intervention and problem management.
- Their experience that many HQ and regional GNWT employees don't have the skills to be able to provide practical hands-on assistance and useful expertise in small communities

Figure 1-3 identifies the participants at the three consultation workshops. The detailed findings and observations from the workshops are presented in Chapters 3, 4 and 5.

Figure 1-3.
Participants in Community Consultation Workshops

Participants at the workshop for 11 smallest communities	
Michael McLeod*	MLA, Deh Cho
David Krutko*	MLA, Mackenzie Delta
Steven Nitah*	MLA, Tu Nedhe
Amy Mercredi	Enterprise
Stanley Sanguez	Jean Marie River
Ruby Landry	Kakisa
James Harry	Sachs Harbour
Phillip Son	Sachs Harbour
Ruby Jumbo	Trout Lake
Mavis Clarke	Tsiigehtchic
Anna-Mae MacLeod	Tsiigehtchic
Jennifer Keith	Wekweti
Gay Kennedy	facilitator
Rosanna Strong	facilitator

Participants at the workshop for 9 mid-sized communities	
Michael McLeod*	MLA, Deh Cho
Leon Lafferty*	MLA, North Slave
Steve Olivier	Fort McPherson
Diane Giroux	Fort Resolution
Eleanor Young	Holman
John McKee	Liard
Paula Robinson	Lutsel K'e
Judith Wright-Bird	Tulita
Bruce Football	Wekweti
Nick Mantla	Wha Ti
Tom Matus	Wha Ti
Gay Kennedy	facilitator
Rosanna Strong	facilitator

Participants at the workshop for 7 largest Hamlets / Charter Communities	
David Krutko*	MLA, Mackenzie Delta
James Edwards	Aklavik
Knute Hansen	Aklavik
Neil Heron	Aklavik
Maggie Levavasseur	Fort Providence
Joe Liske	Rae-Edzo
Eddie Dillon	Tuktoyaktuk
Maureen Gruben	Tuktoyaktuk
Lena Kotakak	Tuktoyaktuk
Tom Lie	Tuktoyaktuk
Maureen Pokiak	Tuktoyaktuk
Debbie Raddie	Tuktoyaktuk
Gay Kennedy	facilitator
Rosanna Strong	facilitator

*** Committee Members**	
Michael McLeod (Chair)*	MLA, Deh Cho
David Krutko*	MLA, Mackenzie Delta
Leon Lafferty*	MLA, North Slave
Steven Nitah*	MLA, Tu Nedhe

E. Communications Activities

As part of the Committee's communications plan, the Members agreed to distribute newsletters to community organizations. The first newsletter was distributed in July 2002 to community organizations in 27 communities and was called "Community Link". A second newsletter was distributed in late September and focused on the consultation workshops. Several more newsletters are planned and the Committee also plans a wide distribution of its Report.

1.3 Link to the Social Agenda

The Committee Members noted that the June 2002 Report "A Social Agenda for the NWT" made a recommendation about services in small communities to the Special Joint Committee on Non-tax-based Community Affairs. The Committee Members consider that the recommendations in this report complement and build on the Social Agenda work. Figure 1-4 shows the recommendation from the Social Agenda Report.

Figure 1-4.
Recommendation 4. Small Communities
From "A Social Agenda for the NWT", June 2002

Recommendation 4:

All Members of the Legislative Assembly work together to establish and fund a minimum level of service(s) for all communities based on community specific needs assessments. These assessments should be completed within the time frame of the work of the Special Joint Committee on Non-Tax-Based Community Affairs.

How?

A. *Ask our smallest communities who or what they need to provide a minimum level of service by doing needs assessments*

  - *The recently struck Special Joint Committee on Non-Tax-Based Community Affairs may help find solutions in consultation with small communities. For this reason, time-lines for the needs assessments should be coordinated with the work of the Special Joint Committee to ensure collaboration and avoid duplication.*

B. *The Working Group suggested examples – which could be funded through the next business planning cycle – such as, providing our smallest communities with one northern community or family resource worker who could report to all community governance structures to:*

  - *help people access and provide information about funding, programs and services*
  - *organize coordination among existing services within communities*
  - *help develop a community plan in consultation with community member*
  - *write proposals for funding to secure additional local services*
  - *arrange access to programs and services available in larger centres*

1.4 Principles Guiding Recommendations

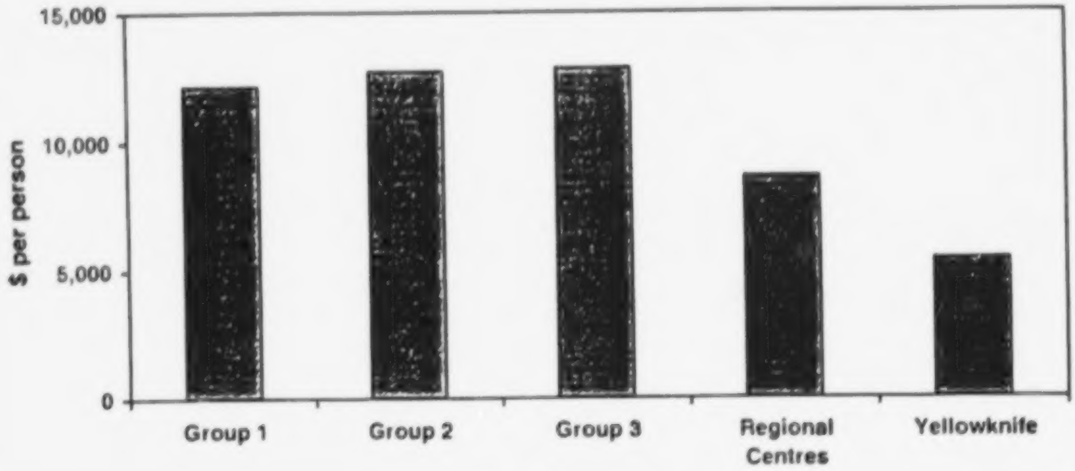
The Committee's areas of interest are very broad, reflecting the complexity and interrelationships of the mandate established for the Committee. Community representatives talked to us about many concerns and gave us many suggestions for change. We agreed to focus our work and develop recommendations based on a common set of principles as follows. The Committee's recommendations should:

- demonstrate to community representatives from 27 small communities that we have listened to their concerns and suggestions;
- strengthen the GNWT services and support for the small communities;
- be affordable, because we recognize that more money is not always the right answer;
- be respectful of emerging Aboriginal self-government arrangements and the roles of community governments;
- be achievable within 3 years, without significant difficulty; and
- be focused on changes for the GNWT, and not consider recommendations for changes to community organizations, the federal government and other agencies

1.5 The Committee's Starting Point

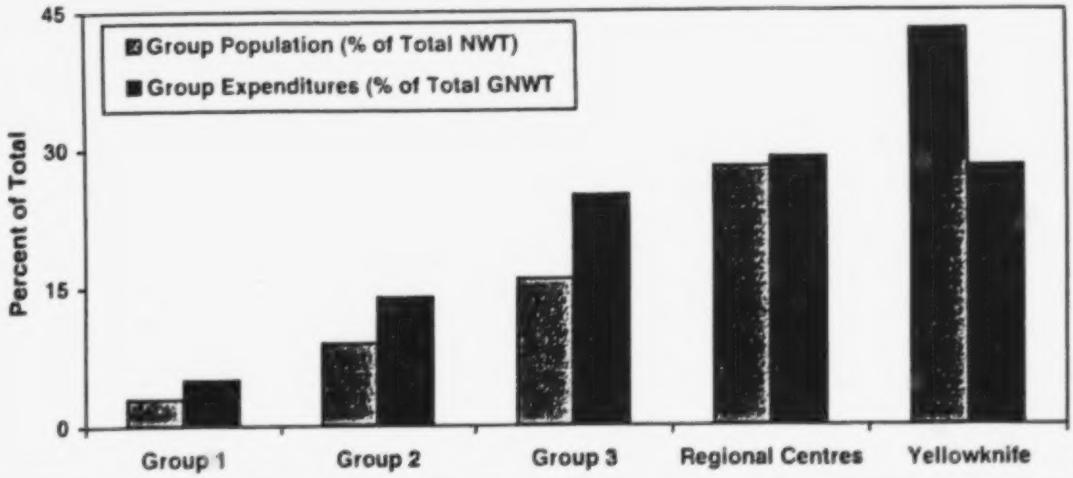
When we started our work as a Committee, we were concerned that some people think that these small communities cost the GNWT a disproportionate share of scarce government resources. Figure 1-5 shows the expenditures expressed as a per capita amount for each group of communities as reported in the 1998-1999 Geographical Tracking Report. Only Yellowknife shows the effects of a large population and has a lower per capita cost. All the other groups of communities have approximately the level of expenditures per capita. Figure 1-6 compares the population share to the expenditure share and highlights the general relationship between population size and the level of expenditure. The eleven smallest communities represent approximately 4% of the population and account for 6% of the GNWT's expenditures. The per capita expenditures for the GNWT capital funding are larger for the smallest places, but that is the danger of measuring with just numbers. Most people understand that small communities do have the same quality and range of facilities seen in the regional centres or Yellowknife. The Committee was also aware that some people think that these small communities might not have much of a future or that they are not likely to become self-reliant. However, many Canadian communities need some form of help from senior governments. Similarly, the GNWT depends on financial assistance from the Government of Canada to perform its functions and provide programs and services to its residents. In this context, financial self-reliance is probably not a good measure of community worth. It has become clear to the Committee that the futures of all NWT communities are linked together. The future of Yellowknife and the regional centres is brighter only when the future of the 27 small communities is safeguarded. That is the most significant conclusion that we have determined about the directions we want to take.

Figure 1-5.
Major Program Expenditures* Expressed as $ per person in the Group



* 1998-1999 Geographical Tracking Report

Figure 1-6.
Major Program Expenditures* Compared to Population Size of the Group



* 1998-1999 Geographical Tracking Report

Chapter 2: Socio-economic Scan

2.1 Introduction

In February 2002, the NWT Bureau of Statistics issued the *Summary of NWT Community Statistics* providing a summary of current selected social, economic and demographic statistics for all communities in the NWT. This information has been reorganized according to the 3 community groupings identified by the Committee that make up the 27 non-tax-based communities: communities within Group 1 currently have fewer than 200 residents; communities within Group 2 have 200-600 residents; and communities in Group 3 have more than 600 residents. This provides the Committee with the opportunity to compare the data between tax-based and smaller communities, as well as the NWT as a whole (excluding Nunavut historical data).

This summary highlights some of the more relevant data organized by the Bureau for consideration by the Committee. It begins with an overview of social "conditions" including: housing, income, living cost differentials, education, labour force activity, traditional activities and levels of income support. Demographic comparisons among the groups are then examined including: population size, recent and projected changes in population size, various population attributes (e.g., vital statistics, age distribution, ethnicity), and recent migration activity. Significant variations in the data between the groupings are highlighted where relevant.

It should be noted that there are some limitations with certain data. Very often the data is not available or the size of the sample (a segment of the community, for instance) is too small for comparative purposes due to confidentiality factors. It has been noted where information is not available. Data collected at different times of the year also makes it difficult to compare the results.

2.2 Socio-economic Data

A. Housing

Three measures concerning housing and housing conditions within communities are addressed below: core need; crowding; and tenure.

Core Need

Core Need is a measure used to identify households that have housing problems and do not have the financial resources to correct the problem. Specifically, core need exists if a household has any one housing problem (suitability, adequacy, or affordability) or a combination of housing problems, and a total household income below the Community Core Need Income Threshold (CNIT). CNIT is an income limit for each community that represents the amount of income a household must have to be able to afford the cost of owning and operating a home or renting in the private market without government assistance.

Of the 13,405 occupied dwellings in the Northwest Territories at the time of the 2000 NWT Housing Needs Survey, an estimated 4,037 households had some form of housing problem (30%) and 2,726 households were in core need (20%). The difference between those with problems and the core need value is that 1,311 of the households with housing problems had sufficient income to solve their housing problem without government assistance - and are therefore not considered in core need. Estimates of core need appear to be highest among the smallest communities, where almost half of the households are in some form of core need, and lowest among the tax-based communities (Figure 2-1).

Figure 2-1.
Occupied dwellings and levels of Core Need in 2000

Communities	Total Households	Households in Core Need
Group 1	434	49.5%
Group 2	1,052	44.0%
Group 3	1,851	41.9%
Tax-based	10,069	12.7%

Crowding

The percentage of households with more than 6 people, as a measure of crowding, has been steadily decreasing since 1981. In 1981 the NWT average was 13.9% of households with more than 6 people and in 2000 the figure was 7.8%. Although independent of community size among the smaller communities, the level of crowding varies in these communities from two times to four times that found among tax-based communities (Figure 2-2).

Figure 2-2.
Levels of household crowding in 2000

Communities	Households with more than 6 people
Group 1	11.6%
Group 2	20.3%
Group 3	17.4%
Tax-based	5.0%

Tenure

Tenure refers to whether some member of the household owns or rents the dwelling in which the household resides. In 2000, nearly half (49.3%) of the 13,405 households in the NWT were owned by residents. Among the smaller communities, the level of home ownership appears to decline sharply among the larger communities (Figure 2-3).

Figure 2-3. Levels of home ownership in 2000	
Communities	**Households Owned**
Group 1	67.3%
Group 2	56.4%
Group 3	38.2%
Tax-based	49.8%

B. Personal/Household Income

Total and average income information is based on data from the Small Area and Administrative Data Division (SAADD) of Statistics Canada. Income distribution information is form the locality Code Statistics produced by the Canadian Customs and Revenue Agency (CCRA).

Total income refers to total money income received from all sources.

Employment income refers to total income received by persons 15 years of age and over for any employment.

Household income statistics refers to the total income of a family; it is the sum of the total incomes of all members of that household. Data is from the national Census.

In 1999, the average income for the NWT was $35,650 and average employment income was $35,450. In 1996 and average household income was $65,550, the percent households with less than $20,000 income was 17.1% and the percent households with more than $50,000 income was 57.5%.

By any measure of income, average income within the smaller communities is about 55-60% of that for the tax-based communities. Not surprisingly then, there are more than twice as many households within the smaller communities with incomes below $20,000 and half as many with incomes above $50,000, compared to the tax-based communities (Figure 2-4).

Figure 2-4.
Measures of average income

Communities	Average Income (1999)	Average Employment Income (1999)	Average Household Income (1996)	Households with less than $20,000 Income	Households with more than $50,000 Income
Group 1	NA*	NA	NA	NA	NA
Group 2	$22,446	$21,345	$38,753	34.6%	30.9%
Group 3	$22,021	$21,293	$39,972	33.5%	32.5%
Tax-based	$39,677	$39,259	$66,275	14.7%	59.6%

* NA - data not available

C. Cost of Goods

Among northern communities, road access and distance to markets create significant variation in the relative cost of bringing goods into communities. *Living cost differentials* reflect the price difference between the base city and the community for a selected range of consumer goods. *Food price indexes* compare the price of some 160 food items in each community to Yellowknife.

Living cost differentials vary widely among communities in each grouping: values ranged from 120 to 215 in Group 1; from 125 to 185 in Group 2; from 125 to 175 in Group 3 ; and from 120-160 in the tax-based communities. Similarly, food price index values ranged from: 100 to 213 Group 1; 118 to 186 in Group 2; 119 to 189 in Group 3; and 100 to 165 in the tax-based communities. By virtue of their relatively southern location and access to roads, the overall cost of living tends to be somewhat lower in the tax-based communities (Figure 2-5).

Figure 2-5.
Relative cost of living measures

Community	Average Living Cost Differentials*		Average Food Price Index**
	Minimum	Maximum	
Group 1	150	155	156
Group 2	150	155	152
Group 3	153	158	158
Tax-based	138	143	129

* Edmonton base = 100; estimates for 1997
** Yellowknife base = 100; estimates for 2000

D. Education and Employment

Although progress has been slow, education levels in the north are improving. For example, in 1991, 40.1% of the population had less than a high school education. In 1999, that figure had decreased to 31.9%. At the same time, however, the number of residents with post-secondary education showed a moderate decline from 50.2% in 1991 to 46.0% of the population having some post-secondary education in 1999. In 1999, the employment rate for NWT residents with less than high school education was 39.8%, compared with 83.8% for residents with a post-secondary diploma or degree.

Although the proportion of residents with less than a high school education has declined to the same degree across communities in Groups 1-3, the rate among these communities remains more than two and a half times that in the tax-based communities. And although the proportion of residents with post-secondary education has been more variable among communities in Groups 1-3, the rates for smaller communities remains about half of that found among the tax-based communities (Figure 2-6).

Figure 2-6.
Changes in educational attainment between 1991 and 1999

Communities	Percent With Less Than High School		Percent With Post-Secondary	
	1991	1999	1991	1999
Group 1	66.4	59.7	37.1	30.5
Group 2	67.9	61.7	30.3	27.5
Group 3	68.3	58.5	26.5	29.9
Tax-based	30.4	21.9	58.7	52.8

Although the level of education attained is a strong determinant of employment, among those residents who have not completed high school, those living in the larger, smaller communities appear to have the greatest difficulty in finding employment, followed by Group 2 communities and the smallest of the smaller communities. Where employment opportunities are generally more available within tax-based communities, still only half of residents with less than a high school education find employment. Rates of employment for residents with a post-secondary diploma or degree are substantially higher in all communities, but somewhat lower in smaller communities overall (Figure 2-7).

Figure 2-7.
Employment rate and level of schooling

Communities	1999 Employment Rate	
	Less Than High School	Post-Secondary Diploma or Degree
Group 1	36.4	67.2
Group 2	34.6	74.3
Group 3	24.1	72.0
Tax-based	50.6	86.1

E. Ethnicity/Language

Aboriginal languages include Inuktitut, Inuvialuktun, Innuinaqtun, Dogrib, North Slavey, South Slavey, Gwich'in, Cree and Chipewyan. Data is compiled from Labour Force Surveys conducted by the NWT Bureau of Statistics.

Although Aboriginal peoples make up 50.7% of the total population in the NWT, within the 27 smaller communities, 90% of the population was Aboriginal in 2000. Over half of the total Aboriginal population of 21,320 in the NWT live in Group 1, 2 or 3 communities. Aboriginal language use is strongest in the Group 1 communities and weakest in the tax-based communities and in 1999, 45.1% of the population spoke an Aboriginal language. Across all communities, however, Aboriginal language use appears to be in significant decline (Figure 2-8).

Figure 2-8.
Changes in levels of Aboriginal language use

Communities	**Percent of Aboriginal Residents who Speak an Aboriginal Language**			
	1984	**1989**	**1994**	**1999**
Group 1	85.7	81.0	76.0	68.7
Group 2	72.8	80.1	69.5	67.2
Group 3	62.5	62.0	58.8	57.5
Tax-based	45.5	36.0	34.3	26.8

F. Labour Force

Labour force data is either from Labour Force Surveys completed by the NWT Bureau of Statistics or from the National Census. Some caution should be used when comparing data from the labour force surveys and the Census, as these two are completed at different times of the year. Some seasonal influences are apparent in the data.

Labour Force refers to persons who were either employed or unemployed during the week prior to the survey.

Participation Rate is the percentage of persons 15 years of age and over who are in the labour force.

Employed refers to persons who during the week prior to the survey: (i) did any work at all, excluding housework, maintenance around the home and volunteer work; or (ii) were absent from their job or business because of vacation, illness, on strike or locked out, etc.

Employment Rate is the percentage of the labour force who were employed during the week prior to the survey.

Unemployed refers to persons who during the week prior to the survey: (i) were without work, had actively looked for work in the previous four weeks and were available for work; or (ii) had been on temporary lay-off and expected to return to their job; or (iii) had definite arrangements to start a new job within the next four weeks.

Unemployment Rate is the percentage of the labour force who were unemployed during the week prior to the survey.

Although somewhat variable, between 1989 and 1999, the labour force participation rate for the NWT increased from 74.9% to 78.3%. Over the same period, the unemployment rate remained fairly steady at an average of 12.9%. Although the employment rate for the NWT increased from 65.0% to 67.5% from 1989 to 1999, the gap between Aboriginal and Non-aboriginal employment rates remained relatively large in 1999 at 47.9% and 84.1% respectively.

Among the smaller communities, Group 1 communities have the highest rates of participation and employment followed by the increasingly larger Group 2 and 3 communities, respectively; unemployment is somewhat more variable. Participation an employment rates among tax-based communities were, on average, 28% and 73% higher than those in smaller communities. Unemployment rates exhibit the most striking difference between smaller and tax-based communities with the former ranging from 3 to 4 times that found in the latter (Figure 2-9).

Figure 2-9.
Levels of labour force participation, unemployment and employment

Community	**1999 Labour Force Rates (%)**		
	Participation	**Unemployment**	**Employment**
Group 1	68.3	28.7	48.7
Group 2	64.1	27.0	46.8
Group 3	63.1	34.1	41.6
Tax-based	83.5	8.9	76.1

Regardless of the community type or size, rates of employment for Non-aboriginal residents are consistently higher than for Aboriginal residents. This difference is most striking within the largest of the smaller communities where the employment rate for Non-aboriginal residents is the highest among the groups at 88% and for Aboriginal residents is the lowest at 36% (Figure 2-10).

Figure 2-10.
Employment rates for Aboriginal and Non-aboriginal residents

Communities	**1999 Employment Rate**	
	Aboriginal	**Non-aboriginal**
Group 1	45.6	68.6
Group 2	43.3	83.7
Group 3	36.0	88.0
Tax-based	57.1	84.1

Not surprisingly, employment rates among all groups are highest within the age 25-39 and 40-59 age classes. Among the smaller communities, the greatest difference appears to be within the 15-24 year olds where employment rates in the smallest communities are almost two and half times that in the largest communities. Although the pattern remains the same, it is somewhat less marked within the 25-39 year old age class (Figure 2-11).

Figure 2-11.
Employment rate by age group

Communities	1999 Employment Rate (%)			
	Age 15-24	Age 25-39	Age 40-59	Age 60 and over
Group 1	42.1	63.3	62.0	11.6
Group 2	27.9	61.5	65.2	8.8
Group 3	17.7	58.6	52.2	15.2
Tax-based	53.7	85.9	84.5	40.0

G. Traditional Activities

Information on traditional activities is based on the 1994 and 1999 Labour Force Surveys conducted by the NWT Bureau of Statistics. In the case of hunting and fishing, this excludes commercial fishing. In 1999, 42% of all households in the NWT reported they 'hunted and fished', 6.1% reported they 'trapped', and 30.2% reported that the household indicated they obtained half or more of their meat and fish through hunting and fishing of country foods. Not surprisingly, the smaller communities all reported higher trapping numbers and country food consumption.

Participation in hunting, fishing, and trapping appears to have increased in all community groupings between 1994 and 1999. Hunting and fishing are particularly significant activities in the smaller and medium sized communities were more than half of the labour force (over 15 years of age) participates (Figure 2-12).

Figure 2-12.
Levels of participation in traditional activities

Community	Percent of Population				
	Hunted & Fished		Trapped		Country Food Use
	1994	1999	1994	1999	
Group 1	35.9	51.7	15.3	18.5	60.5
Group 2	41.8	54.8	10.6	12.0	67.9
Group 3	35.6	39.2	9.6	12.5	72.9
Tax-based	10.4	40.7	2.8	3.6	17.3

H. Income Support

Data on the income support program are provided by the Department of Education, Culture and Employment, GNWT, for the period 1996 to 2000.

Cases are described as the number of people requesting and receiving social assistance for a given month. *Beneficiaries* are the recipients of social assistance and their dependants for a given month.

The number of Income Support cases (monthly average) in the NWT has been dropping since 1996. The number of cases has decreased 17.6% between 1996 and 2000 for the NWT as a whole. This represents a decrease of 27.5% in the number of beneficiaries who benefited from Income Support on a monthly basis. In 2000, the smaller communities had an average of 803 monthly Income Support cases. This compares with 702 cases for tax-based communities.

The decline in the number of income support cases per capita has been most evident in the smaller communities and particularly among the smallest communities of Group 1 where the number of cases in 2000 was almost half that in 1996. This reduction in Group 1 communities places them on par with tax-based communities where the number of income support cases per capita has remained relatively stable. The number of income beneficiaries and the level of income support payments per capita has shown a parallel decline among the smaller communities also placing Group1 communities on par with the tax-based communities (Figures 2-13, 2-14 and 2-15).

Figure 2-13.
Numbers of Income Support Cases per capita from 1996-2000

Communities	Income Support Cases (monthly average per 1000 population)				
	1996	1997	1998	1999	2000
Group 1	58.6	52.6	43.9	42.2	30.5
Group 2	96.7	85.5	82.5	76.5	65.8
Group 3	92.5	86.6	86.3	86.5	75.6
Tax-based	26.1	26.9	28.6	29.6	23.3

Figure 2-14.
Numbers of Income Beneficiaries per capita from 1996-2000

Communities	Income Beneficiaries (monthly average per 1000 population)				
	1996	1997	1998	1999	2000
Group 1	126.5	114.4	91.4	85.0	59.7
Group 2	256.3	222.2	191.5	175.0	150.4
Group 3	216.4	198.3	185.1	176.4	152.3
Tax-based	55.3	56.4	56.1	54.4	45.3

Figure 2-15.
Levels of Income Support Payments per capita from 1996-2000

Communities	Income Support Payments (monthly average per capita)				
	1996	1997	1998	1999	2000
Group 1	396	654	281	270	197
Group 2	710	607	592	532	437
Group 3	570	512	499	470	394
Tax-based	220	222	244	248	201

I. Crime

Crime data is obtained from the Canadian Center for Justice Statistics at Statistics Canada. Some caution should be used with this data as community information can be influenced by the establishment of a detachment in a nearby community (for instance Rae-Edzo and Wha Ti).

The violent crime rate (per 1,000 persons) in the NWT has steadily dropped since 1997. The overall NWT rate in 2000 was 47.2 per 1,000 persons. The rates are significantly different for the groups that are reported. For the period 1997 to 2000, the property crime rate (per 1,000 persons) in the NWT has primarily been dropping. In 2000, the property crime rate for the NWT was 56.9 per 1,000 persons. While the tax-based communities have a lower rate, Groups 2 and 3 of the smaller communities have a significantly higher rate (Figure 2-16).

Figure 2-16.
Violent crime and property crime in 2000

Communities	Crime Rate (per 1,000)	
	Violent	Property
Group 1	NA	NA
Group 2	94.0	91.4
Group 3	81.7	74.6
Tax-based	38.7	54.1

2.3 Demographic Data

A. Population - Past and Present

Population estimates are developed for NWT communities and regions based on territorial population and components of growth information estimated by Statistics Canada at the territorial level. All estimates are based on information developed by the NWT Bureau of Statistics. The most current population estimate is for the year 2000.

Changes in the size of the population and in population characteristics are one of the key indicators of future pressures on government expenditures. During the 10 year period between 1991 and 2000, the total NWT population grew by 3,394 or 8.8%. Between 1996 and 2000, the total NWT population grew by only 254 or 0.6%. During that period the total NWT population experienced some years of declining population, particularly between 1996 and 1999, when the population decreased by 716 (-1.7%) in that 4-year period, and a year (1999-2000) of growth of 970 (2.4%). The two community groups that affected the decline in population were the tax-based communities and Group 1 communities (Figure 2-17).

Figure 2-17.
Population estimates 1991-2000

Communities	Population					
	1991	1996	1997	1998	1999	2000
Group 1	1,670	1,399	1,425	1,434	1,447	1,475
Group 2	3,321	3,598	3,637	3,671	3,738	3,784
Group 3	6,145	6,533	6,570	6,629	6,648	6,730
Tax-based	27,533	30,299	30,156	29,380	29,280	30,094

The total 2000 population of the 27 non-tax-based communities was 11,989 representing 28.5% of the NWT population of 42,083. Between 1991 and 2000, the population of Group 1 communities experienced a significant decline in population of 11.7%. Over the same period, Group 2 and 3 communities experienced growth rates of 13.9% and 9.5%, respectively. Although tax-based communities have had an overall growth rate of 9.2% between 1991 and 2000, this growth has been tempered by a population decline of 3.5% between 1996-2000.

The single attribute that most distinguishes the tax-based and smaller communities is the relative proportion of Aboriginal and Non-aboriginal residents present. Whereas Aboriginal residents make up 89.9% of the population in smaller communities, Non-aboriginal residents make up 65.0% of the population in tax-based communities (Figure 2-18).

Figure 2-18.
Aboriginal and Non-aboriginal population estimates in 2000

Communities	Population Size			
	Aboriginal		Non-aboriginal	
	#	%	#	%
Group 1	1,181	80.1	294	19.9
Group 2	3,497	92.4	287	7.6
Group 3	6,095	90.6	635	9.4
Tax-based	10,547	35.0	19,547	65.0

B. Age Distribution

The NWT has a young population relative to the rest of the country, but the population is aging. With 33.3% of the population under age 15, Group 2 communities are the "youngest" within the NWT. The fastest growing segment of the population is persons that are 45 years of age and older. Group 1 communities have the largest percentage of older residents with 24.2% of the population aged 45 and older and 10.4% greater than 60 years of age. The tax-based communities have the highest percentage (69.1%) of the 15-59 years age group, while Group 2 has the lowest at 57.1% (Figure 2-19).

Figure 2-19.
Age class distribution in 2000

Communities	Age Class (years)						
	0-4	5-9	10-14	15-24	25-44	45-59	60+
Group 1	8.9	11.1	7.7	16.1	32.0	13.8	10.4
Group 2	10.1	12.3	10.9	16.8	29.4	10.9	9.6
Group 3	10.6	11.6	9.9	16.9	31.2	11.6	8.3
Tax-based	8.0	9.3	8.4	14.9	37.6	16.6	5.3

C. Population Projections

Population projections incorporate assumptions regarding fertility, mortality and migration patterns. These assumptions are reflective of historical patterns, as well as recent trends observed for the NWT.

The overall rate of growth projected for the NWT between 2004 to 2019 is 18%. The four community groups are projected to grow during this 15-year period, some faster than others. In addition, there is some variation in the rate of growth among individual communities within each group. The smallest and medium sized communities are expected to grow by 9.7% and 9.8%, respectively, between 2004 and 2019. Group 3 communities are expected to have somewhat higher growth rate of 12.9% over this period. The tax-based communities are expected to grow by 21.7% between 2004 and 2019; twice the rate of the smaller communities (Figure 2-20).

Figure 2-20.
Aboriginal and Non-aboriginal population estimates in 2000

Communities	Projected Population Size			
	2004	2009	2014	2019
Group 1	1,481	1,544	1,593	1,624
Group 2	3,871	3,982	4,116	4,250
Group 3	6,947	7,234	7,540	7,846
Tax-based	31,530	33,414	35,867	38,362

D. Vital Statistics

Vital Statistics information is based on data provided by the Health Statistics Division, Statistics Canada for the NWT Bureau of Statistics.

Birth and death rates are two components involved in the determination of population size and growth. Fertility rates in the Northwest Territories have been stable or declining for the past 15 years, although fertility rates for 15-24 year old females are still approximately twice the Canadian average.

Owing to their small population size, communities in Group 1 have highly variable birth rates relative to the other community groupings. In general, birth rate appears to be declining across all community groupings with rates in the smaller communities converging on those in the tax-based communities (Figure 2-21).

Figure 2-21.
Changes in birth rate 1994-1998

Communities	Crude Birth Rate (per 1000)				
	1994	1995	1996	1997	1998
Group 1	8.0	13.1	20.7	19.7	13.3
Group 2	22.7	23.4	20.6	19.5	18.3
Group 3	23.7	25.9	21.4	19.2	19.2
Tax-based	19.5	19.9	18.8	16.5	15.8

As for birth rates, owing to their small population size, communities in Group 1 have highly variable death rates relative to the other community groupings. Unlike birth rates, however, rates of death appear to be relatively stable across community groupings and generally 1.5 to 2.5 times higher than that in the tax-based communities (Figure 2-22).

Figure 2-22.
Changes in death rate 1994-1998

Communities	Crude Death Rate (per 1000)				
	1994	1995	1996	1997	1998
Group 1	6.6	3.4	7.2	2.8	7.0
Group 2	3.4	4.2	4.2	5.2	4.6
Group 3	3.9	4.8	4.8	4.6	5.9
Tax-based	3.3	2.7	3.1	2.8	2.7

E. Urbanization trends

Population mobility data is collected by the NWT Bureau of Statistics and is analyzed based on three community groupings: Yellowknife; the regional centres (Hay River, Inuvik and Fort Smith); and the "rest" of the communities. Historically, there has been a pattern of urbanization in the Northwest Territories. Yellowknife's share of the territorial population has increased from 29% in 1976 to 43% in 1999. Some continued urbanization is expected to take place for the next 20 years. Inter-provincial migration is the main determinant of the population growth rate in the Northwest Territories.

In 1996, Yellowknife represented 44% of the NWT's population, the regional centres 23% and the remaining communities combined represented 32% of the total. indicative of a highly transitory society, a relatively small proportion of the population was identified as "non-movers" in 1996. This was most evident in Yellowknife where only 31% of the population had resided there in 1991; in the Regional Centres and the remaining communities, 37% and 47% of their respective residents had lived in the community in 1991 (Figure 2-23).

Figure 2-23.
Breakdown of non-movers and movers between 1991 and 1996

Communities	Non-movers	Movers
Yellowknife	4,910	10,715
Regional Centres	3,085	5,205
All others	5,430	6,020

Among the "Movers", those defined as non-migrants and migrants were evenly split within Yellowknife (49% vs. 51%) and the Regional Centres (49% vs. 51%), whereas the proportion of non-migrants was substantially higher among the remaining communities (63% vs. 37%), i.e., a much smaller percentage had moved to the community (as opposed to moving within the community) since 1991 (Figure 2-24).

Figure 2-24.
***Breakdown** of non-migrants and migrants between 1991 and 1996*

Communities	Non-migrants	Migrants
Yellowknife	5,255	5,455
Regional Centres	2,540	2,665
All others	3,820	2,205

Given the differences in how Aboriginal and Non-aboriginal residents are distributed among communities throughout the NWT, where migrants come from and move to varies between the two groups. Among Aboriginal residents, Non-movers and Movers represent 45% and 55% of the total Aboriginal population, respectively, and although the split is relatively even among the smaller communities (52% vs. 48%, respectively), there was an increasing difference between the groups from the Regional Centres (38% vs. 62%) to Yellowknife (30% vs. 70%). As the greatest source of Aboriginal residents, however, the smaller communities have the largest pool of "movers" with 50% of the total (Figure 2-25).

In contrast to the Aboriginal population, among Non-aboriginal residents, Non-movers and Movers represent 32% and 68% of the total Non-aboriginal population, respectively, and this split is relatively consistent among the smaller communities (24% vs. 76%, respectively), the Regional Centres (37% vs. 63%), and in Yellowknife (32% vs. 68%). As the greatest source of Non-aboriginal residents, Yellowknife's "movers" represent 68% of total group in the NWT (Figure 2-25).

Figure 2-25.
Breakdown of non-movers and movers among Aboriginal and Non-aboriginal residents between 1991 and 1996

Communities	Aboriginal Persons		Non-aboriginal Persons	
	Non-movers	Movers	Non-movers	Movers
Yellowknife	905	2,085	4,005	8,630
Regional Centres	1,535	2,555	1,550	2,650
All others	4,960	4,550	470	1,470

Among Aboriginal "movers", the vast majority (68%) were non-migrants, i.e., although the residence had changed, these individuals still remained in the same community between 1991 and 1996. The relative proportion of non-migrants to migrants increased from Yellowknife (57% vs. 43%), to the Regional Centres (59% vs. 41%), to the remaining communities (78% vs. 22%) (Figure 2-26).

Among Non-aboriginal "movers", the majority (58%) were migrants, i.e., they had moved from another community between 1991 and 1996. Similar to the Aboriginal population but in the opposite direction, the relative proportion of non-migrants to migrants increased from Yellowknife (47% vs. 53%), to the Regional Centres (39% vs. 61%), to the remaining communities (20% vs. 80%) (Figure 2-26).

Figure 2-26.
Breakdown of non-migrants and migrants among Aboriginal and Non-aboriginal residents between 1991 and 1996

Communities	Aboriginal Persons		Non-aboriginal Persons	
	Non-migrants	Migrants	Non-migrants	Migrants
Yellowknife	1,180	900	4,075	4,555
Regional Centres	1,500	1,055	1,040	1,610
All others	3,525	1,030	295	1,175

The vast majority of Aboriginal migrants (68%) moved within the NWT between 1991 and 1996, and of these 26% moved to Yellowknife, 34% to the Regional Centres and 40% to one of the remaining communities. The proportion of Aboriginal migrants from other jurisdictions showed a moderate decline from Yellowknife (40%) and the Regional Centres (39%) to the smaller communities (21%) (Figure 2-27).

The vast majority of Non-aboriginal migrants (84%) moved to the NWT from another jurisdiction between 1991 and 1996, and of these 65% moved to Yellowknife, 20% to the Regional Centres and 15% to one of the remaining communities. The proportion of Non-aboriginal migrants from within the NWT declined from Yellowknife (41%) and the Regional Centres (34%) to the smaller communities (25%) (Figure 2-27).

Figure 2-27.
Breakdown of non-migrants and migrants among Aboriginal and Non-aboriginal residents between 1991 and 1996

Communities	Aboriginal Persons		Non-aboriginal Persons	
	Intraprovincial Migrants	Interprovincial Migrants	Intraprovincial Migrants	Interprovincial Migrants
Yellowknife	515	380	440	3,745
Regional Centres	680	370	370	1,160
All others	810	215	270	860

In general, therefore, although slightly more than half of the territory's Aboriginal residents had changed their place residence between 1991 and 1996, only a third of these people actually moved out of their community of origin and did so with an equal probability of moving to Yellowknife, one of the regional centres or to one of the remaining communities (i.e., when an Aboriginal resident chose to leave their home community, they had a 66% likelihood of moving to one of the larger communities). In contrast, more than two thirds of the Non-aboriginal population had changed their place residence between 1991 and 1996, well more than half of these had left their community of origin, and while some of this movement was to the regional centres and smaller communities, two thirds of these residents had moved to Yellowknife.

From the perspective of the smaller communities, the vast majority of Aboriginal residents (89%) had remained in their community since the last census. However, for those that do move between communities, the majority are selecting the larger centres. For the few Non-aboriginal residents, the percentage having remained within a smaller community since the previous census was considerably less (39%). The majority of Non-aboriginal residents within smaller communities had arrived between the two census periods and of these, more than three quarters had arrived from outside of the NWT.

A growing movement of Aboriginal residents from the smaller communities to the more "urban" centres has also been observed in southern Canada and in the United States and the reasons for these movements are likely similar to those found here. In a review of urbanization trends between rural and urban areas, our independent consultants found that the process of Aboriginal urbanization is part of a long-term trend that has been on the increase over the last forty years. More than half of the Aboriginal peoples in southern Canada live in rural areas and of these, 60% live on rural reserves and 40% in other rural areas (often isolated in northern communities).

Between 1986 and 1991, 60% of Aboriginal people relocated and most migration was towards reserves. Comparing census results for 1986 and 1991 indicates significant changes in Aboriginal relocation patterns. In 1986, the principal type of movement was within the same census subdivision (59%); in 1991, intra-provincial migration was the principal type of movement (50%). Similarly, inter-provincial migration among Aboriginal people grew from just 11% in 1986 to 25% in 1991. In both 1986 and 1991, Registered Indians living on reserve had the lowest mobility rates (around 40%) of all Aboriginal groups. This finding is not unexpected, since all federal benefits (excepting post-secondary funding) that accrue to Registered Indians are tied to the condition that residency be maintained on reserve. Registered Indians living off reserve reported the highest levels of mobility for any Aboriginal sub-group (70% in 1986, and 68% in 1991).

Long term studies of migration from Aboriginal communities have indicated that the major reasons for moving are: employment (no work available in the home community), migration of children with parents (dependent children leaving community because parents were leaving), marriage (leaving the community to marry or marriage separation); availability of children's aid; and preference for a job not available in the community. Unlike what appears to be the case in the NWT, most moves away from the First Nation community are far from permanent in the south. The most common type of migrant is young and moves back and forth between reserve and urban centre until older age brings a more stable pattern of expected behaviour.

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Chapter 3: Capital Planning and Capital Funding

3.1 Introduction

Many leaders and residents of smaller communities do not have sufficient confidence in the GNWT's capital planning and capital funding. They express the view that the capital planning and capital funding does not respond to the needs of the smaller communities. They consider that many decisions about projects and project funding seem to be unfair. The Committee Members have discussed this issue thoroughly. We are proposing progressive changes for the GNWT. This Chapter reviews what we examined and concluded through our research and community consultations, what the Committee Members consider to be the key issues and our recommendations for change. It is organized into the following sections:

- Background
- Research Completed
- Community Consultations
- Key Issues
- Recommendations for Change

3.2 Background

In an ideal world, community governments would be able to raise enough local revenues to fully fund their municipal infrastructure. Municipal infrastructure includes many of the basics needed in communities, such as, water systems, waste sites, fire trucks and fire halls, community government offices, recreation facilities and community roads. Provincial and territorial governments would be able to meet the expectations of their citizens for the facilities, which are not the responsibility of a community government, such as, schools, airports, health centres and correctional centres. Community governments would have access to engineering services in-house or on contract to provide good planning and project management for their municipal facilities.

Today, there are few Canadian communities in the ideal world. Many provincial governments assist their community governments with partial funding for certain types of municipal infrastructure. Some also provide limited support for capital planning. The GNWT is similar to other provincial governments. It undertakes all the capital functions for programs and services, which remain within GNWT authority, such as, hospitals and health centres, correctional centres and highways. However, the GNWT's relationship to its smaller community governments is different from many provincial governments. The GNWT directly manages most of the capital planning and capital funding and provides almost all of the following:

- capital funding;
- capital planning services; and
- project management services.

In fact, this is one of the distinguishing differences between the 27 small community governments and the six tax-based community governments. In the six tax-based communities, the GNWT provides only partial funding for the certain kinds of municipal facilities, and does not undertake planning or project management services for these community governments. The tax-based communities raise additional revenues through property taxes, which gives them enough independence to undertake their own capital planning and funding for most of their municipal infrastructure. The GNWT administers property taxation in the other communities. However, the property taxation revenue generated from these communities is not nearly enough to cover the capital costs of their municipal infrastructure.

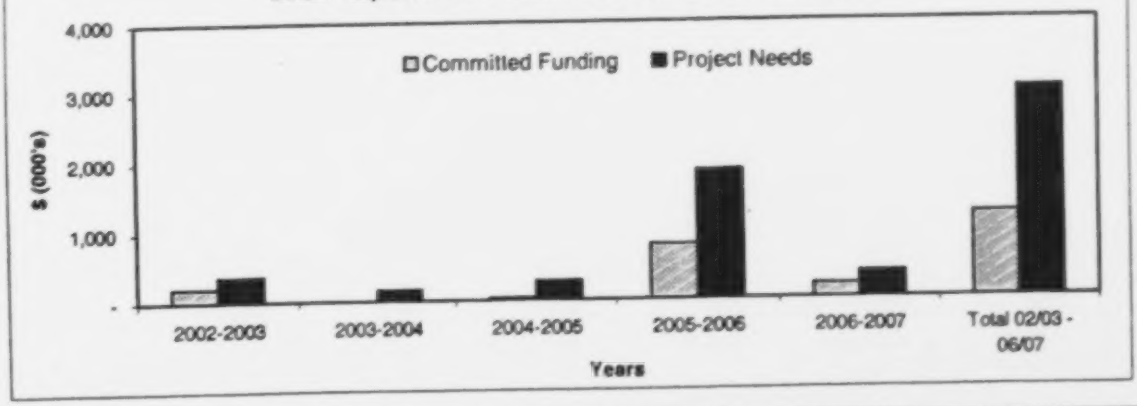
Below we examine the functions that the GNWT now provides on behalf of the 27 community governments (planning and funding municipal infrastructure) and the GNWT's planning and funding for the other facilities in these 27 communities.

3.3 Research Completed

The Committee was interested in the views of community representatives about GNWT capital planning, funding and project management. We learned about infrastructure issues in the three communities of Detah, Fort McPherson and Tulita. The approach allowed for participation of one representative community from each group of communities. In addition to the community government staff, our independent consultant met with regional Public Works & Services and Municipal Affairs and Community Affairs staff in Yellowknife, Inuvik and Norman Wells. The consultants also reviewed various capital planning documents, provided by the Financial Management Board Secretariat.

The key findings from this research were that there is insufficient capital funding to keep up with the replacement of the existing inventory of aging facilities and infrastructure. Figure 3-1 shows the difference between the identified capital needed and the proposed capital allocation for the community of Detah. There is also a shortfall between the needs and the proposed allocation for the other two communities. It is reasonable to assume that there is a proportional shortfall for many of the 27 community governments.

Figure 3-1.
Detah - Capital Needs Assessment compared to the 5 year plan



The five-year capital needs assessment for Detah totals $3,005,000 (based on the 20 Year Capital Needs Assessment, from FMBS). The five-year GNWT capital acquisition plan (from FMBS) for Detah totals $1,210,000. Our research also indicated the following:

- A significant number of stakeholders, including GNWT staff, do not adequately understand the GNWT corporate capital planning process and the application of the project ranking criteria. This is understandable, since the change to the corporate process was just initiated a year ago.
- Community representatives are not satisfied with the opportunities for community consultation.
- Community representatives felt that community roads and community offices receive too little priority in the GNWT's capital planning.
- The accuracy and reliability of the data used to support planning and funding decisions needs to improve.

3.4 Community Consultations

The same types of concerns were heard again when the Committee members discussed infrastructure planning with community representatives at the consultation workshops. Infrastructure funding was the priority issue for many participants, who have high expectations of the GNWT, for capital planning and funding.

Figures 3-2, 3-3 and 3-4 show the concerns of the community representatives as expressed by participants at the community consultation workshops.

Figure 3-2. Infrastructure Concerns

As expressed by the representatives of the 7 largest Hamlets/Charter Communities

- *"More money, more money, more money"*
- *"Better planning for those dollars"*
- *"Roads are a big issue, but there is no plan on who needs it, when, amounts, etc"*
- *"More partnerships within the community to determine group needs and implement better planning"*
- *"Gravel access is another major issue"*
- *"Limited funds are a reality communities have to work with"*
- *"Communities have to become proactive in promoting themselves, not waiting for a project to appear"*
- *"Communities have to be ready to let go of the "nice to have" infrastructure"*
- *"Water plants, improvements and updates are critical"*
- *"Meeting basic needs for infrastructure"*
- *"Different groups of communities should have different criteria for funding"*
- *"Health and Safety have to remain the top priority"*
- *"Multi-purpose facilities should be developed"*
- *"The capital plan should have only 1 major (greater than $10 million?) project in it for any time period"*
- *"There should be incentives for using other sources of funding and for using innovation"*
- *"More allocated funding for a greater capital activities in MACA's community government funding"*
- *"More proactive approach to planning infrastructure projects is needed"*
- *"More partnerships"*

Figure 3-2. Infrastructure Concerns
As expressed by the representatives of the 7 largest Hamlets/Charter Communities

- *"Be receptive to working together within community, networking with other similar communities"*
- *"Community groups identifying basic needs to present a united voice to government"*
- *"Private and public partnerships for infrastructure"*
- *"Mobile infrastructure that is rented or leased"*

Figure 3-3. Infrastructure Concerns
As expressed by the representatives of the 11 smallest communities

Issues

- *"Communities are given more responsibilities, but fewer resources to implement programs"*
- *"Decrease in consultation with communities regarding their goals, lack of communication"*
- *"Lack of vision, short term views"*
- *"Basic standards, i.e. health and safety, are not equal in all the communities"*
- *"Nothing new in small communities regarding infrastructure"*
- *"Large centers are growing larger which increases demands for GNWT funding"*
- *"No priority setting by the government"*
- *"Validity or accuracy of numbers listed on reports"*
- *"Discrepancy of quality of treatment and services between communities"*
- *"Crisis management style of GNWT"*
- *"Narrow criteria set for infrastructure funding that is applied to all communities whether it fits or not"*
- *"Different quality of services, i.e. water reservoirs vs. water treatment plants in some communities"*

New directions

- *"More united voice of all 27 communities regarding priority setting, communications and needs"*
- *"Capital projects need to consult with communities to see if meeting needs specific to community"*
- *"GNWT to set limit of one major project (such as, over $10 million) in any period to provide a balance"*
- *"Dialogue between communities and departments/boards to hear needs, assist in setting priorities"*
- *"Capital for communities on a rotational basis (a model set by Ft. McMurray and communities)"*
- *"Have a role for the 27 communities in devolution and royalty discussions"*

Figure 3-4. Infrastructure Concerns
As expressed by the representatives of the 9 middle-sized communities

Issues

- *"Decrease of flexibility, needs to be long- and short-term funding as well as needs based"*
- *"Need to get small community projects considered"*
- *"Criteria are too rigid and not suited to community needs"*
- *"More opportunity for partnerships and ability to be creative, both communities and government"*
- *"Communities need to have a say in other (regional) infrastructure projects, i.e. Inuvik hospital"*
- *"Project management to be feasible and financially responsible"*
- *"Criteria too numbers based, i.e. population vs. need"*
- *"Territorial priorities should not overwhelm community priorities"*
- *"Support is needed to write effective tenders, project management and design"*
- *"Large scale projects need more consultation with communities"*
- *"O&M implications of infrastructure, skilled labour and maintenance issues, such as training for staff"*
- *"Criteria are one-sided, i.e. protection of assets favors communities that already have assets"*
- *"Government should ensure infrastructure in all communities, it creates jobs / economic base"*
- *"Lack of government support for capacity building in communities, i.e. water plant operators"*
- *"New facilities need trained people to operate"*
- *"Need buildings to hold training courses in the community"*
- *"Too many big projects in larger centres, should be limited to a certain dollar value per year"*
- *"Allocate capital yearly to small communities to build up a reserve to do projects on their own"*
- *"Capital dollars should increase"*
- *"Very little or any consultation is done with communities regarding capital planning"*
- *"Information about community's needs to be updated and reflect recent priorities"*
- *"Regional departments have no staff or are under-filled"*
- *"Departments should inform communities when experts are in communities to piggyback projects"*

Most Important New Directions

- *"Consultation and flexibility on community planning; consultation has to be meaningful"*
- *"Needs of the community to be met vs. imposing outside priorities; different solutions"*
- *"Corporate planning committee should have a non-taxed base community representative"*
- *"Departments and communities to develop a joint committee for infrastructure based on needs"*
- *"Regional infrastructure funding allocation, i.e. each region will decide allocation or even split"*
- *"Each category in capital planning should receive a certain % of total capital funding"*
- *"Re-working the control and funding criteria for community priority setting"*
- *"Training people to be responsible for own decisions –stop rewarding those who "screw" up"*
- *"Use the dollars that PWS uses by redefining roles in relation to communities"*

Figure 3-4. Infrastructure Concerns (Cont'd)
As expressed by the representatives of the 9 middle-sized communities

Other solutions

- *"Consult communities properly about community projects - comprehensive, organized"*
- *"Expand criteria to include other types of infrastructure, i.e. swimming pools, daycare"*
- *"Communities should be recognized for proper planning"*
- *"Inspectors of projects should be qualified, especially in housing, roads, and water"*
- *"Communities to determine their own priorities not based on government criteria"*
- *"Need for team of experts (government or private) to serve communities, IT, engineers, surveyors"*
- *"Need for better services from GNWT expertise for small communities"*

3.5 Key Issues

Based on the Committee's discussions and consultations, the following key issues have been identified:

A. Inadequate support for small community governments

Many of the small community governments are not clear about what capital functions they are expected to perform. They have capital functions for which they are now responsible – usually minor capital programs and purchases. Most of the small community governments do not have good engineering support for their own capital planning. GNWT engineers are not able to assist each community government with capital budgeting and planning.

B. Uncoordinated and inadequate community consultation

Community representatives expressed concerns about the inadequate and uncoordinated community consultation process. Departments with capital funding are expected to consult with each Community Council. Few departments report back about the results of the consultation. There does not seem to be a clear process for involving communities in the planning of regional or territorial facilities, especially about their location. It also seems that the consultation process and activities vary from year to year.

C. Ranking criteria and allocation processes are inadequate

The ranking criteria used in the capital planning process have not been adequately explained and do not seem to consider the needs of small communities. Projected O&M costs are also documented infrequently and there is no systematic consideration of location options for regional or territorial facilities.

D. Inadequately defined roles and responsibilities for corporate capital planning

The GNWT has not communicated very clearly about the roles and responsibilities for the corporate planning process for smaller communities. Furthermore, capital planning seems to be based on an incomplete inventory and out-dated standards.

E. Inadequate Capital Budget

The GNWT has not provided enough capital funding to replace aging inventory of assets and respond to population growth and program demands. We learned that significant groups of projects remain under-funded. Examples include upgrading of community roads, access to gravel supplies, community offices, housing and recreation facilities, such as, youth centres and daycare. Services, such as, Women's Shelters have not been able to access capital funding. The Infrastructure Needs Assessment Report (prepared in 2001 for the Financial Management Board Secretariat by Dillon Consulting Limited) estimated that approximately $65,000,000 (in 2001 dollars) is needed each year to fund the replacement of aging assets. Funding for projects, which respond to growth and new services, would require additional funding. That same report states that there has been a decrease in the capital budget over recent years. Funding to make up for the shortfall of those years would require additional funding.

3.6 Recommendations for Change

The Committee concluded that the 27 community governments are not ready to become fully responsible for capital planning, project management and capital funding of municipal infrastructure in the next 5 years. Community representatives would likely consider a shift in this direction to be premature and a "download" of under-funded responsibilities. However, we do not think anyone supports a return to the strictly departmental approach to capital planning. Northerners expect the government could do a better job. It is the position of the Committee that the GNWT can do capital planning and capital funding in a way that not only builds assets, but builds mutual confidence and partnerships. This can be achieved by implementing the following recommendations.

A. Provide Better Support to Small Community Governments

The GNWT needs to assist the smaller community governments to do their own capital planning and project management.

(i) Assist with the provision of good engineering support. We recognize that these engineering skills, such as, project management, planning and estimation, are not present in small communities. These specialized skills cannot be acquired quickly or assigned to an employee who is already too busy doing another function for the community government. The GNWT should consider the use of contracted engineering services to provide this additional support to small community governments. Figure 3-5 shows some of the features of acquiring municipal engineering services from an engineering firm or from the GNWT.

Figure 3-5.
Engineering services from different sources

Provided by engineering firms	Provided by GNWT
Contracts with engineering firms would require financial assistance from MACA. An engineering firm could provide the full range of municipal engineering - project management, capital planning and support for capital budgeting. Contracted engineering services are accountable to the community government, which is accountable to its residents.	PWS can manage GNWT projects. MACA can assist with projects that the community government manages and does some project planning. It would take a change in the Department's mandate for these engineers to provide the full range of municipal engineering services. Many small community governments are not able manage capital planning, project management and capital budgeting. PWS and MACA do not provide this function. Small community governments are able to depend on the GNWT and do not assume full responsibility for the construction of their facilities.

(ii) Consider the use of a formal municipal infrastructure planning tool, such as the Alberta Municipal Infrastructure Management System, or modify the Maintenance Management System in use by some communities. A formal planning system will assist the municipal engineer and the Public Works Foreman to organize and report on information about municipal facilities. This will help inform capital allocations and priority setting.

(iii) Consider working with one of the interested large Hamlets to develop and implement a plan to move towards full block funding of Capital and O&M. The arrangement could serve as a demonstration to the other hamlets and charter communities. This pilot could ensure that processes were tested and issues were resolved in smaller situations before trying to manage larger situations.

Figure 3-6 provides an overview of the implications of providing municipal engineering services for the 27 small community governments.

Figure 3-6.
Implications for the GNWT of "Providing Better Support to Small Community Governments"

Is this change urgently needed?	This change is urgently needed, especially for the 7 largest communities in the group of 27. Most hamlets/charter communities establish their annual budgets in January and February, so another year can easily go by without good capital planning.
What would it cost?	It would cost approximately $500,000 to $1,000,000 to provide all communities with increased engineering support - equivalent to 5 to 7 additional GNWT staff and their O&M costs.
When could it be accomplished?	This can start in 02/03 with a small group of communities and be gradually expanded.
How would Northerners likely react?	Many community governments want access to better technical skills and would appreciate being able to work with a private sector engineer, someone who is accountable to their community.
What would be the result of this change?	Some community governments may be ready to move towards increased block funding for their capital, if they could get access to good support.

B. Improve the Community Consultation Process

The GNWT needs to do a better job consulting with the smaller communities, including;

(i) Establish a meaningful consultation process, which has the support of each community, and covers topics, such as schedules and information needs.

(ii) Coordinate the consultation across departments, regions and communities.

(iii) Provide useful information about capital needs, criteria for prioritizing projects, assets and budgets in understandable formats.

(iv) Explain how the community input fits into the planning activities.

(v) Report back to the community government about the results of their input.

(vi) Establish a process to involve communities in the planning of regional and/or territorial facilities, including the determination of their location.

Figure 3-7 briefly reviews the implications of improving the community consultation process.

Figure 3-7.
Implications for the GNWT of "Improving Community Consultations"

Is this change urgent?	The process needs to change before another round of consultation is undertaken.
What would this change cost?	This change would require some time and effort of the GNWT to prepare documents and to coordinate the process. No new funding would be needed to undertake this change.
When could this change be accomplished?	This should be ready by April 1, 2003.
How would Northerners likely react?	Northerners would need to see changes implemented for several years before they would have increased confidence.
What would be the result of this change?	This change could result in more focused, if not reduced, complaints about capital planning.

C. Modify the Ranking Criteria and Allocation Process

The GNWT should make the following changes to its ranking criteria and its allocation process:

(i) Use fewer criteria than the 5 criteria now in place.

(ii) Use simpler criteria, such as asset protection, asset replacement, additional program need, which could be understood more easily and reported on more clearly.

(iii) Establish a minimum percentage of the capital budget for each criteria, to ensure that each category is funded.

(iv) Ensure that sufficient capital funding can be allocated to projects in smaller communities by limiting the percentage value available in any 1 year for funding "mega" projects. These "mega" projects are usually regional or territorial facilities and are not located in the smaller communities.

(v) Ensure that projects, which will be cost-shared or are multi-purpose and multi-departmental, receive more priority in the ranking process. There should be a significant incentive for multi-use and cost-shared approaches.

(vi) Report on the capital expenditures and identify the ranking criteria used.

(vii) Increase the amount of funding allocated through MACA's community government funding for those community governments, which want to move towards increased block funding. A community government, which is able to manage a block funding arrangement, is less dependent on the GNWT for capital budget decisions. Figure 3-8 shows the differences between project funding and block funding for capital.

Figure 3-8.
Differences between project funding and block funding for capital

"Block" funding	"Project" Funding
GNWT would allocate a set amount of funding over a time period to a community government. The community government would plan and manage its O&M and capital. Community governments are now expected to manage and fund their own minor capital projects through MACA's community government funding. • GNWT would have to figure out a fair way to allocate funding – not easy. • Community governments would have to manage their funding more carefully and for a longer term. • There is never enough money. • Community governments assume increased self-governing responsibilities and authorities – closer to a government to government relationship • Many of the larger community governments want to increase their "block" funding in a gradual way.	This is the "status quo", where the GNWT plans and selects projects. • Complaints about the planning process, and the funding decisions continue. • There is never enough money. • GNWT retains control and accountability. • Many of the smallest community governments are not interested in pursuing increased "block"" funding at this time.

(viii) Allocate housing capital funding through a block funding approach for those community governments that want to move towards increased block funding.

(ix) Increase the funding available for community road projects and gravel supplies, either through MACA's community government funding or through the identification of capital projects for roads and gravel in the GNWT capital plan.

(x) Ask a regional leaders group to make recommendations about allocating a regional amount of funding for certain kinds of community projects. This could include projects, which do not fit into any department's mandate and are not part of the GNWT's planning. Examples could include youth centres, women's shelters or non-standard recreation facilities. Individual communities would need to agree to this approach. The group could consider how to encourage cost-shared projects.

Figure 3-9 briefly reviews the implications of modifying the ranking criteria and the allocation process.

Figure 3-9.
Implications for the GNWT of "Modifying the Ranking Criteria and Allocation Process"

Is this change urgent?	These changes would need to be implemented as soon as possible, because it will take several years before this had a noticeable effect on the GNWT capital plan.
What would it cost?	No new funding.
When could it be accomplished?	These changes could be ready for 04/05 planning.
How would Northerners likely react?	Northerners will be skeptical about proposed changes, until they can see results.
What would be the result of this change?	The perception of leaders about the current process may change.

D. Document Roles and Responsibilities for Capital Planning

The GNWT should describe the planning process and activities, in clear language, so that it is explained for GNWT staff, community governments and MLAs. The GNWT should choose a different name for its process, since many people have interpreted that "corporate capital" planning purposely excludes the infrastructure in small communities. Topics, such as, the schedule, participants, decisions and the decision-makers, data definitions and data requirements and the use of standards and criteria need to be carefully described. Assets lists need to be reviewed with community governments so that all assets of the community government, which are the GNWT's funding responsibility, are included. This should include road assets. Figure 3-10 briefly reviews the implications for the GNWT of "Documenting Roles and Responsibilities for Capital Planning"

Figure 3-10.
Implications for the GNWT of "Documenting Roles and Responsibilities for Capital Planning"

Is this change urgent?	These changes should be in place before another round of capital planning begins.
What would it cost?	No new funding.
When could it be accomplished?	Before April 2003.
How would Northerners likely react?	Not noticeable to most, but may assist Councils to understand where they fit into the process and how planning occurs.
What would be the result of this change?	Greater understanding for the participants.

E. Increase the Capital Budget

The GNWT needs to increase its capital budget, in order to realistically manage the replacement of its aging inventory and respond to growth. There also needs to be a recognition that capital allocations over the last decade have not kept pace with needs. All the allocation processes and ranking criteria will accomplish very little, if the capital budget remains significantly under-funded. For the last decade, it has been easier for departments to reduce their capital budgets, rather than other budget areas. The GNWT should allocate a minimum percentage of its entire budget for its capital budget. Figure 3-11 provides an overview of the implications of increasing the capital budget.

Figure 3-11.
Implications for the GNWT of "Increasing the Capital Budget"

Is this change urgent?	This change requires attention urgently because it would take time to accomplish changes.
What would it cost?	The GNWT capital budget needs about $65,000,000 annually for replacement alone.
When could it be accomplished?	Longer term means 3 or more years
How would Northerners likely react?	Northerners have high expectations about the facilities that should be located in their communities.
What would be the result of this change?	Increased funding for capital

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Chapter 4: Development and Prevention Programs for Small Communities

4.1 Introduction

Leaders in the small communities are concerned that many of the community development and social programs are funded by short-term contributions from individual departments. This includes a variety of programs supporting activities related to recreation, crime prevention, healthy living, youth and culture. Residents from these small communities express views that these programs are key to reducing or preventing the development of much more serious problems in northern communities – suicide, drug and alcohol abuse, property crime, family violence and early school drop-out. In 2003-2004, the GNWT will spend approximately $27,000,000 to provide correctional services and more than $7,000,000 for services related to children in Foster Care and Residential Care. Most northerners recognize that prevention is more important than treatment and can reduce the costs of responding to the problems in the longer term. Many small communities now recognize that a multi-year and comprehensive effort is required to change lifestyles and affect the behavior of residents. A significant change in the program approach and funding arrangements is needed to support a sustained community effort. This Chapter is organized into the following sections:

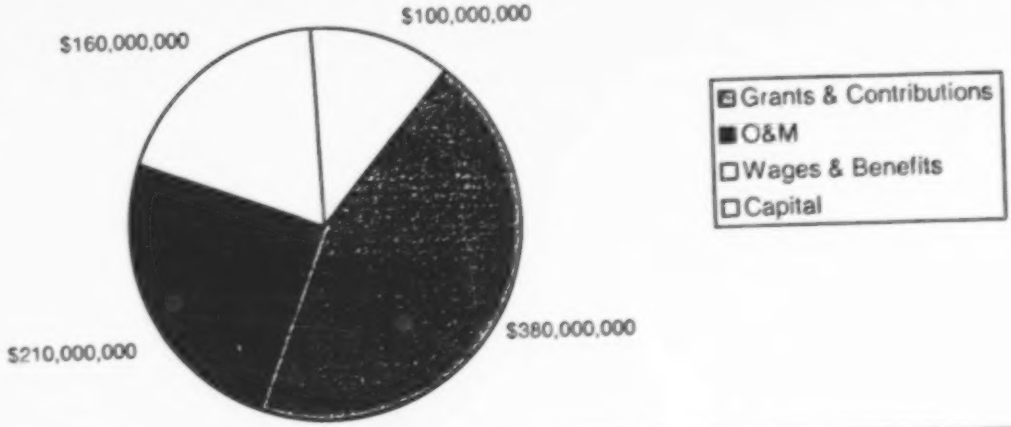
- Introduction
- Background
- Research Completed
- Community Consultation
- Key Issues
- Recommendations for Change

4.2 Background

A significant number of programs and services funded by the GNWT are delivered by governing Boards and Authorities, such as the Health and Social Services Authorities and Education Authorities. The agencies are funded through contributions from the GNWT. These contributions are not application-based – these agencies do not apply for their annual funding. The funding amounts are determined by a mix of quantitative criteria, consideration of the previous year's allocation and occasionally, various adjustments for changes in costs. Figure 4-1 shows that in 2001-2002, the GNWT will spend approximately $380,000,000 through Grant and Contribution Funding.

Figure 4-1.

GNWT Spending in 2001-2002



The allocation criteria of these programs were reviewed and grouped into 4 types of criteria, as identified in Figure 4-2. Figure 4-3 shows the breakdown of Grants and Contributions and includes all GNWT contribution programs with a budget of $250,000 or more the 2001-2002 year.

Figure 4-2.

Definitions of Terms to describe Allocation Criteria

Quantitative	Allocation is determined by the use of objective and verifiable data. An example is the Power Subsidy Program, which uses invoices to determine subsidy amounts.
Defined	Allocation is determined by documented and reasonably clear terms. An example is the EDAP program of the NWT Housing Corporation, which uses clearly defined criteria to review applications for assistance.
Historical	Allocation is based on the funding received in previous years. In some cases there may be small changes year-to-year to reflect forced growth etc. An example is the Water Sewer Subsidy Policy, which re-allocates the same amount to the community governments every year. The funding does not require an application or a review of the original data used to determine the allocation.
Broad	Allocation is determined by the use of general criteria. The nature of the recipient may be identified and there may be some limitations about how the funding can be used.

Figure 4-3. Funding Criteria Scan

For Grant and/or Contribution policies with expenditures greater than $250,000 in 2001-2002

Department	Name of Policy	2001-2991 Mains Budget	Funding Recipients	Allocation Criteria
Executive	Inter-governmental Forum	$ 330,000	Aboriginal Summit	Historical
	Status of Women	$280,000	Status of Women's Council	Broad
FMBS	Electrical Power Subsidy	$5,000,000	Businesses and individuals	Quantitative
MACA	Community Government Funding	$27,000,000	Local governments	Quantitative
	Water-Sewage Subsidy	$6,500,000	Local governments	Historical
	Grant-in-lieu of property taxes	$3,500,000	Tax-based local governments	Defined
	Additional Funding	$1,500,000	Local governments	Historical
	Community Development	$600,000	Local organizations	Broad
	Extra-ordinary Funding	$250,000	Local governments	Broad
Transportation	Marine/Access Road	$600,000	Local governments	Broad
Justice	Community Justice	$730,000	Organizations	Broad
NWTHC	Public Housing	$31,000,000	Local Housing Organizations	Defined
	IHP	$7,800,000	Individuals	Defined
	CMHC Unilateral	$3,800,000	Local Housing Organizations	Defined
	EDAP	$1,600,000	Individuals	Defined
	Other programs	$1,400,000	Individuals	Defined
	Special Units	$1,000,000	Individuals	Defined
	Emergency Repair	$680,000	Individuals	Defined
	Seniors Home Repair	$650,000	Individuals	Defined
RWED	Business Development Fund	$1,529,000	Businesses	Defined
	Community Transfer	$969,000	Local governments	Historical
	Harvester Assistance	$473,000	Hunters/Trappers' organizations	Defined
	Commercial Fisheries	$395,000	Commercial fishermen	Defined
	Energy Conservation	$364,000	Government and NGOs	Defined
	Fur Pricing	$345,000	Trappers	Defined
	Small Business Grants	$287,000	Businesses	Broad
	Local Wildlife Committees	$258,000	Hunters/Trappers' organizations	Defined
	Harvester Support Program	$244,000	Hunters/Trappers' organizations	Defined

Figure 4-3. Funding Criteria Scan
For Grant and/or Contribution policies with expenditures greater than $250,000 in 2001-2002

Department	Name of Policy	2001-2991 Mains Budget	Funding Recipients	Allocation Criteria
Education, Culture & Employment	Education delivery	$94,600,000	Education Authorities	Quantitative
	College Contributions	$22,700,000	Aurora College	Not identified
	Healthy Children	$1,810,000	Organizations	Broad
	Literacy	$1,500,000	Organization	Broad
	Early Childhood	$1,340,000	Daycare Centres	Quantitative
	Teachers Education	$970,000	Education Authorities	Broad
	Oil & Gas Contributions	$650,000	Organizations	Broad
	NWTTA Improvement Fund	$640,000	NWTTA	Defined
	Community Skills for Work	$600,000	Organizations	Broad
	Languages	$490,000	Organization	Broad
	Employment Support	$390,000	Organizations	Broad
H&SS	Health & Social Services	$136,900,000	Boards of Management	Historical

Finally, the list of Grants and Contributions in Figure 4-4 was reviewed to identify the contribution programs with a budget of $250,000 or more, which seem to be aimed at promoting and supporting general "development and prevention" activities. They represented approximately $7,000,000 in 2001-2002. The funding identified for the program / policy is the 2001-2002 funding for the entire NWT, including any contributions that would be made to the tax-based communities.

Figure 4-4.
Selected Examples of "Development and Prevention Programs"

Community Development (MACA)	$600,000
Marine/Access Road (Trans.)	$600,000
Community Justice (Justice)	$730,000
Healthy Children (HSS)	$1,810,000
Literacy (ECE)	$1,500,000
Oil & Gas Contributions (RWED)	$650,000
Community Skills for Work (ECE)	$600,000
Languages (ECE)	$490,000
Employment Support (ECE)	$390,000
Community Wellness (HSS)	$584,000

This funding is allocated based on applications, which are prepared by the eligible organizations. All these programs have different application forms, different rules for what is eligible for funding, different funding levels, different approvals, reporting procedures and accountability requirements.

Our research and consultation indicated that the community governments in the smallest communities often manage these programs and can have from 5 to 15 individually funded projects to manage during a one-year period. In the larger hamlets and charter communities, not-for-profit societies are expected to manage and administer many of these programs. The programs funded by these contributions, together with the recreation services offered by the community government and the school, are the "development and prevention" programs in the 27 smaller communities.

4.3 Research Completed

We undertook research to identify what are currently the most common allocation criteria used by these programs. The purpose was to determine if population-based criteria are used frequently and if they are a barrier to funding approvals and funding amounts in the smaller communities. The research identified the types of criteria used to allocate the funding associated with GNWT Contribution programs and policies (Figure 4-2). The project focused on 2001-2002 programs, which had a budget of more than $250,000. The key findings include that:

- Many funding policies do not have population factors explicitly identified as criteria.
- Many funding policies do not contain detailed or quantitative criteria for allocating funding.
- Population does affect some of the larger multi-year contribution programs – e.g. Schools and Health Authorities, Housing Associations – larger communities and regional authorities receive more funding. The research did not review the detailed quantitative factors that determine these funding levels.
- Many program allocations are based on maintaining the funding level from the previous year, rather than determining new allocations each year, for example, the Water and Sewer Services Subsidy Policy.
- The challenge for the smallest communities in relation to the application-based contribution funding is the difficulty of preparing applications and then administering small projects and the associated funding levels.

4.4 Community Consultations

At the consultation workshops, the Committee Members listened to the discussions of community representatives about their concerns and suggestions for ways to improve the quality of life in small communities. The workshops were organized in a format that permitted the participants to select the topics and determine the discussion format. The workshop participants emphasized the importance of these programs in their communities and their desire to develop long-term community-based solutions. They all stressed the need for better support from GNWT staff and their desire for a more flexible GNWT structure. Figures 4-5, 4-6 and 4-7 highlight the points from the discussions at the three workshops.

Figure 4-5. Contribution Funding Discussion

As expressed by the representatives of the 7 largest Hamlets / Charter Communities

What makes a good funding program?

- *"Properly trained key people"*
- *"Easy access and application"*
- *"Long term funding (3+ years)"*
- *"Quarterly reporting, easy to know when to apply and not a March 31 deadline for reporting"*
- *"Money granted and then granted yearly without a renewal application process"*
- *"Yearly and more general reporting"*

What needs to change re funding programs of the GNWT?

- *"Prevention programs need to receive more funding than the programs for the problems"*
- *"Prevention programs should be consolidated into 1 fund with greater flexibility"*
- *"Funding should be available on a multi-year basis"*
- *"Incentive (increased funding) if community groups demonstrate a combined approach"*
- *"Different groups of communities should have different criteria for funding"*
- *"Equality in all communities for a standard of education, etc. e.g.; All schools offer Chemistry"*
- *"Trained, effective personnel in both the communities and from the funding organizations"*
- *"Basic funding for all communities"*
- *"Standards for all not based on population, but common to all"*
- *"Long term funding is needed in order to have effective programming in communities"*
- *"Off-loading of GNWT programs to communities should have funding"*
- *"We want less reporting and paperwork"*
- *"Reporting from Tuktoyaktuk to Inuvik and YK, reduce to only YK or Inuvik"*
- *"Increase the awareness of funding programs - brochure with amounts, criteria, deadlines, etc"*
- *"Allocate some funding on a rotation basis, so everyone can access it not just one community"*
- *"Communities should be involved in setting the criteria and/or standards for funding"*
- *"Formula should be in place for all communities to get $$ without an application"*
- *"Don't look only at population numbers. Take in account individual community needs"*
- *"Subsidy for milk, flour etc, to make them more accessible than chips and pop"*
- *"Build community capacity to decrease dependency"*
- *"Building a competent, and long-term work force to carry out the responsibility of programs"*
- *"Move the DMs to the communities, where they can understand the ramifications of decisions"*
- *"Take care of the small guy" attitude"*
- *"Creating regional requests providing a larger collective voice"*
- *"Standards for all communities for services, such as school programming and infrastructure"*
- *"Different criteria for tax based vs. non-tax based or only 50% funding for tax based"*

Figure 4-6. Contribution Funding Discussion
As expressed by the representatives of the 9 middle-sized communities

Most important points

- "Allocations in which communities are involved"
- "A formula in the best interest of the community"
- "Funding should not be lapsed"
- "Multi-year funding to ensure long term planning"
- "Streamline funding to reduce administration"
- "Communities involved when there are decision being made about federal funding"
- "Criteria are complicated and don't put the dollars where the need is, require consistency"
- "Funding payments in a timely fashion so it is more "useable" by the communities"
- "More funding rolled into block funding, not contributions with each department"
- "Use phase-in process for programs and avoid "program dumping"
- "Allocations of funding gets delayed by late community submissions"
- "Communities need to be involved when regional organizations make allocations to communities"
- "No long-term vision for government"
- "Always changing programs and initiatives"
- "Opportunities should reflect different situations in the different regions"
- "MLA's and communities are not involved in expenditure decisions"
- "Dollars should be kept in program, MLA or community should be consulted/involved if changes"
- "Government needs to use current data for planning budgets"
- "Cost shared with community should be given priority or more consideration, cap or limit"
- "Dollars not targeted to identify needs"
- "Government needs more accountability, transparency, and clearer formula base"
- "GNWT spends too much on administration, not enough on programs"
- "To determine how funding should be allocated, communities should be consulted"

Other points

- "How the funding is administered is an issue"
- "Use a model that looks at how a community is structured, would prevent duplication"
- "Community consultation for capital projects and project management"
- "Need for capacity building, agreements should include funding for training"
- "Accounting for the funding needs to be proportionate to amount of money received"
- "Cost of administration of funds should be included in the contribution dollars"
- "Some dollar transfers are not keeping pace with the increased costs of housing, staffing"
- "Too many requirements that communities are unable to meet"
- "Surplus dollars to remain with communities, if management has been effective"
- "Need for more information on funding programs, for new staff in communities"
- "Federal government to give communities the resource dollars"
- "GNWT initiatives without buy-in from the public, i.e. road toll, social agenda, hotel tax"
- "Capacity building difficult, no investment in communities"
- "Government accountability not the same as expected from communities"
- "Government negotiates, but not getting the most federal $ for transfers"
- "Budgets don't reflect true costs"

Figure 4-7. Contribution Funding Discussion
As expressed by the representatives of the 11 smallest communities

Issues

- *"Communities are given more responsibilities, but less resources to implement program"*
- *"Lack of vision, "short term views"*
- *"Basic standards, i.e. health and safety, are not equal in all the communities"*
- *"Large centers are growing larger which increases demands for GNWT $$"*
- *"No priority setting by the government"*
- *"Discrepancy of quality of treatment and services between communities"*
- *"Crisis management style of GNWT"*
- *"Attitudes of regional staff is poor and don't react unless there is intervention by a MLA"*
- *"Meeting Canadian national standards regarding amounts of water and quality"*
- *"Resources don't fund professional services"*
- *"Overstepping of boundaries by the GNWT and no consultation"*
- *"Don't know where to go" as services only available in larger centers"*
- *"Lack of consistency in services, even programs within the department"*
- *"Inconsistency of communications/technology, i.e. Trout Lake has no Internet connection"*
- *"No consistency of personnel in a community, i.e. teachers"*
- *"Lack of support from department staff (regional/HQ) to help communities".*
- *"Access to outside world limited for smaller communities, i.e. no regular scheduled flights only charter"*

Best solutions

- *"Teaming up of departments to provide consolidated funding making it more useful to communities"*
- *"Economic development in communities to encourage people to stay"*
- *"Government subsidies to businesses that provide recreation or activities for youth"*
- *"Block funding for housing ownership programs to give communities more flexibility to build their homes"*
- *"Limit funding to larger centers"*
- *"More united voice of all 27 communities regarding priority setting, communications, needs, etc"*
- *"Have a role for the 27 communities in devolution and royalty discussions"*

Other suggestions included:

- *"Sport North and other sports/recreation organizations to recognize the needs of small communities"*
- *"Development of recreation policies that stipulate $$ for recreation are kept for"*
- *"Block funding and revision of formulas in order for more long term planning"*
- *"Support for Leadership programs which strive towards academic achievement, life skills (Ft Smith)"*
- *"Support for Cultural exchanges"*
- *"Recreation definition to include cultural programming and land based skills"*
- *"Training and apprenticeship programs within high school"*
- *"Funding for small communities based on needs, not based on numbers"*
- *"Increase joint efforts/ventures and amend policies to deal with housing shortage"*
- *"Use the community's natural and human resources (i.e. construction techniques) to decrease costs"*
- *"Clarify land categories"*
- *"Assist in the development of staff housing (i.e. lease back to the GNWT)"*
- *"Policy focus more on audits"*
- *"Communities to have more responsibilities in deciding housing issues and meeting community needs"*
- *"Decrease the "hoops" to go through to access $$ already designated to community"*

4.5 Key Issues

A. GNWT support is for short-term issue-oriented projects, which need small amounts of funding

The funding is for 12 months or less, especially if the applications are prepared and funded late in the fiscal year. Recipients are sometimes challenged to provide additional programming before the end of the fiscal year, because of a surplus forecast at the regional or Headquarter office. Without multi-year commitments, this funding cannot usually contribute to ongoing salary costs. Finding employees for short-term assignments is always difficult. Each department administers their own program funds and, for the most part, is not coordinated to other department's activities at the community, regional and headquarters level.

Departments do not usually coordinate their contribution funding planning with each other. For example, in one community in any one year, Justice may have funded some kind of winter recreation program for youth, MACA might have funded computer training for some youth and some other agency might have funded a trip for some youth to a conference. Everything is considered to be short-term stand-alone projects. The next year, each community starts again to secure its funding. This is not an efficient or effective way to develop and deliver effective services. There is not a similar expectation of the Education Authorities or Health and Social Services Authorities to be able to function effectively under these conditions. The overall goal of the GNWT is not advanced, through the current approach and method.

B. Application-based contribution funding is administratively complex for the GNWT and the eligible organization

Contribution funding is not a simple mechanism for the GNWT or the eligible organization. Figure 4-8 shows the major conditions of a Contribution Agreement according to GNWT Financial Administration Manual (FAM).

Figure 4-8.

Some of the conditions of Contribution Funding from FAM Directive

- obliges the recipient to achieve specific Government objectives within specified times
- follow the form and meet the requirements of a transfer agreement
- where appropriate, obligate the recipient to apply Government policies, e.g., the Government contracting directives in this manual, the Business Incentive Policy, the Affirmative Action Policy
- where a contribution recipient has failed to perform, the GNWT should either deduct the Government's full cost of carrying out the work from any payment otherwise due to the recipient, or else recover the full cost from the recipient by other means
- where appropriate, obligate the transfer recipient to measure and report to the Government, within specified times, the achievement of specified objectives; specify the measures to be used in measuring and reporting the achievement of specified objectives
- obligate the recipient to allow the Government to observe and inspect the recipient's operations and records
- substantiate the recipient's projected expenses during each Government fiscal year in which the transfer agreement exists
- estimate all projected income the recipient will receive from all sources during each Government fiscal year in which the transfer agreement exists
- obligate the recipient to expend or reimburse contributed funds within specified times and to return any uncommitted funds to the Government within specified times
- where appropriate, obligate the recipient to account to the responsible Government department for all contributed funds, as specified in an agreed chart of accounts
- provide reports and audited financial statements appropriate to the recipient's cash flow, the nature of the recipient's operations and the contribution amount

An application has to be submitted, which may require the endorsement of other community agencies and a formal Contribution Agreement has to be signed. The funding amount, which gets approved, may not be the same as the funding which was requested, resulting in the requirement to prepare a new budget and change the scope of the intended program. The eligible organization has to have certain kinds of valid insurance policies in place. This can be relatively simple, if the organization is a municipal corporation, but these insurances are much harder to acquire if the organization has few resources. The organization needs to be a formal structure, established under the Societies Act. The GNWT can advance 25% of the funding, so a cash flow plan is needed. All the expenses have to be substantiated with receipts. "Results" reports may have to be submitted. Occasionally, the contribution funding is allocated to regional organizations; each of these has yet another way of determining contributions to community activities. Many community organizations recognize the importance of the GNWT funding to their activities. The broader and shared concern of GNWT departments and community organizations is that this financial support has not be able to create and sustain the changes towards improved well-being that everyone was hoping to see.

4.6 Recommendations for Change

The Committee understands that improving the well being of residents in these 27 communities is a significant challenge. We have learned that creating a significant improvement in our communities would require a significant change in the GNWT approach to programming and funding arrangements. They know that the existing programs are not effective at creating and supporting change. Many community residents are now ready to try something different. We hope the GNWT is also willing to be bold enough to support a sustained community-based effort. Here are our recommendations:

A. Consolidate prevention and development contribution funding for smaller communities

In a gradual manner, consolidate prevention and development contribution funding into one fund located in one department and increase the available funding. The fund would need to be managed in a different way. The funding could support a broad array of "development and prevention" activities. The Committee has not considered whether this treatment of contribution funding is suitable for the tax-based communities. In the larger communities, there are more service agencies, which are funded through numerous sources and are not part of the local government. The treatment of regional organizations eligible for this kind of contribution funding would also have to be considered. Consolidation could be gradually implemented through a variety of options. One option that could be considered is establishment of several pilot or demonstration communities, which would volunteer to work with a consolidated and different approach to their development and prevention activities (Figure 4-9).

Figure 4-9.

Implications of Consolidating funding into 1 fund and increasing the available funding

Is this change urgent?	Change is urgently needed. Existing programs have not resulted in significant improvement in community well-being
What would it cost?	The GNWT should assume that additional funding is required to support this change. How much of this funding is available from re-allocation and how much would have to be new funding is impossible for the Committee to say. It would be difficult to be convinced that the GNWT was serious about these changes, if the consolidated fund was less than approximately $8,000,000, when the consolidation was completed in 2-3 years. An approximate guess is that the existing funds (not including any allocation for the tax-based communities) would consolidate into a fund worth about $4,000,000 to $5,000,000.
When could it be accomplished?	Activities could be gradually implemented and gradual consolidation of all funding could be achieved over 2-3 years. There may be an opportunity to start with a few communities and offer an incentive – increased funding – for being the first to try the change.
How would Northerners likely react?	Community representatives would likely be positive, but would also be skeptical about what will actually change and when.
What would be the result of this change?	A sustained and focused effort could be more successful at improving the quality of life in small communities.

B. Simplify the administration of the fund

The funding could be allocated with some kind of simple formula that would be a combination of Cost of Living differences, population and other factors. Figure 4-10 shows the features of needs-based funding and formula-based funding.

Figure 4-10.
Features of Different Allocation Approaches

Needs-based	Formula-based
• The ideal way for an ideal world • Eligible organizations ask for everything they need. Government seldom has the budget to be able to meet all of these needs. Government then develops criteria, priorities, standards, etc to rank funding requests. This takes more time, people, and administration to review and rank proposals. • Sometimes it is hard to explain the fairness of the allocation.	• Funding can be allocated without a proposal. The organization plans to a budget. • Funding can be more predictable, so government is more likely to be able to be multi-year commitment • A good formula for allocating funding has to have the right balance between being simple enough to understand and complicated enough to be fair. Sometimes this is hard to accomplish.

(i) The funding could be allocated with a multi-year commitment. The funding could be disbursed through regular payments. The funding could be accounted for through the annual audited statements of the community government. The fund would be large enough to justify forced growth based on cost of living changes and would be visible enough to make reductions harder to manage for the responsible department. In most cases, the funding could flow through the community government, which already has a financial administration in place.

(ii) The community organizations would need to collaborate in the preparation of a multi-year plan for the use of the funding, for which the community is eligible. The community organizations and the GNWT departments would also need to agree on their expectation of results, how those results would be measured and the financial accountability requirements of the funding. Obviously the objective of these changes is to see improvements in the well being of the residents, not something that can be achieved in the short term, but something that needs to be monitored and evaluated in some systematic manner.

(iii) The GNWT would need to understand and plan for different human resource needs. The GNWT would also need to evaluate the options available to acquire the new and different skills needed to support the communities to develop and implement different approach. For example, these skills could be secured through contract or employment. Some needs may be able to be met through training. Communities need the on-going involvement of persons who are experienced in community development practices and can assist with the practical tasks of establishing and sustaining an effort at changing lifestyles and behaviors of residents.

Figure 4-11 provides an overview of the implications of simplifying the administration of the fund.

Figure 4-11.
Implications of simplifying the administration of the funding

Is this change urgent?	This change is urgently required so that the consolidation of funds can be implemented.
What would it cost?	This change probably does require a start-up investment. Further planning would be needed to identify on-going costs.
When could it be accomplished?	This should be ready before April 2003
How would Northerners likely react?	Some northerners think that the funding should be "needs-based". Many northerners will support simplified administration.
What would be the result of this change?	Improved predictability of funding, multi-year funding Better results from better programs is the goal

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Chapter 5: Access to Services

5.1 Introduction

GNWT delivers its programs and services to residents in small communities in a wide variety of ways. Some services are provided locally; for example, most education services for school-aged children. Other services are available locally on a scheduled basis; for example, dentist visits. Residents need to travel out of their community to access some services; for example, visits to a hospital or post-secondary education programs. Many residents in small communities expect that more GNWT services should be provided in their own community. However, most residents understand that the realities of financial and management challenges mean that the GNWT cannot deliver all its services in every community. However, the GNWT can ensure that all residents have access to services. Not every community has a hospital, but every resident can have access to a NWT hospital.

The largest provider of local services in the small communities is usually the local community government. There is a large variation in the services provided by local governments in the NWT. The smaller community governments tend to deliver more services and programs, which are not strictly "municipal" services. Effective services result from a combination of good programs, sufficient resources and effective staff, all responding to recognized client needs. We know that effective education services are far more than having a school building or a teacher in the classroom. Many parents, in the small communities, are concerned about what they consider to be a lower quality of education services, especially for the high school grades.

Increasingly, the GNWT is called upon to explain and evaluate its decisions about service delivery and demonstrate that those decisions support fair and equitable access to services by residents in the small NWT communities and that these services achieve meaningful results. This Chapter reviews what we examined and concluded through our research and community consultations, what the Committee Members consider to be the key issues and our recommendations for change. It is organized into the following sections:

- Background
- Research Completed
- Community Consultations
- Key Issues
- Recommendations for Change

5.2 Background

A. Community Government Services

Band Councils, Hamlets, Villages, Towns and the City have broad jurisdiction over certain local matters and, therefore, over the programs and services, which they provide. For some communities, their jurisdiction is being further developed and emphasized by:

- the self-government agreements, which are being negotiated;
- the amendments being developed for the NWT municipal governance Acts; and/or
- the changes that the Government of Canada has proposed for *The Indian Act,* which would affect NWT Band Councils.

Community governments cannot be simply seen to be a "contracted delivery agent" for GNWT departments. They are emerging as a third order of government capable of making their own decisions about services, service levels, user charges, collection practices and the use of own forces or contracted services. It should be noted that community governments make their own decisions about these services within the limits of the many laws, regulations, codes, standards and guidelines, which affect these services.

In 2002, there are four different kinds of local governance established under four different territorial and federal Acts (see Figure 5-1). It should be noted that each self-government agreement will affect the community governments covered by the agreement resulting in the creation of another type of community government and community governance legislation. Figure 5-1 outlines the basic features of the four types of community governments in the NWT.

Figure 5-1.
Features of NWT community governments

Category	City, Town or Village	Hamlet and Charter Community	Settlement	Band Council
Community Type	City of Yellowknife Towns: • Hay River • Inuvik • Fort Smith Villages: • Fort Simpson • Norman Wells	• Rae-Edzo • Tuktoyaktuk • Fort McPherson • Fort Providence • Aklavik • Fort Good Hope • Deline • Sachs Harbour • Tsiigehtchic • Holman • Wha Ti • Fort Liard • Tulita • Paulatuk	• Fort Resolution • Colville Lake • Enterprise	• Lutselk'e • Rae Lakes • Hay River Reserve • Detah • Wrigley • Wekweti • Nahanni Butte • Trout Lake • Jean Marie River • Kakisa
Act	Cities, Towns and Villages Act	Hamlets Act Charter Communities Act	Settlements Act	Indian Act (Federal Government)
Legal Entity	Municipal corporation	Municipal corporation	Settlement corporation	Band
Authority	Passes Resolutions Passes and Enforces By-laws	Passes Resolutions Passes and Enforces By-laws	Passes Resolutions	Passes Resolutions
Financial Authority	Budget, spend, save and borrow money	Budget, spend, save and borrow money	Budget, spend and save money	Budget, spend and save money
Lands Authority	Acquires, develops, sells, leases community lands	See Note 1.	See Note 1.	See Note 1.
Taxation Authority	Establish and levy property taxes	See Note 2.	See Note 2.	See Note 2.

Figure 5-1.
Features of NWT community governments

Category	City, Town or Village	Hamlet and Charter Community	Settlement	Band Council
Key Services	Builds, operates, maintains, owns or leases facilities for municipal purposes Provides or contracts for municipal services, such as: roads, water, garbage, sewage, recreation, fire protection, public transportation, cemeteries, granular quarries, business licensing, land use planning within the community Establishes user charges	Builds, operates, maintains, owns or leases facilities Provides or contracts for municipal services, such as: roads, water, garbage, sewage, recreation, fire protection, public transportation, cemeteries, granular quarries, business licensing, land use planning within the community Establishes user charges	Able to operate and maintain GNWT municipal facilities Provides or contracts for municipal services through funding agreements with the GNWT	Able to operate and maintain GNWT municipal facilities Provides or contracts for municipal services through funding agreements with the GNWT See Note 3.

Note 1: Most Hamlets and Charter Communities can administer community lands, if they accept the responsibility. To date, no Hamlets have done that. MACA administers lands in these communities.

Note 2: The GNWT can delegate property taxation authority and responsibility to a Hamlet. However, none administer property taxation. Settlements and Band Councils cannot administer property taxation.

Note 3: In addition to providing municipal services, many bands operate a business-oriented Development Corporation, which can own land and facilities or construct facilities.

B. RCMP Services

Because of the importance of local policing services to community residents, Committee Members wanted to briefly review the provision of this service. In the NWT, the GNWT contracts with the RCMP to provide policing services. The Government of Canada contributes a share of the cost for this service. The RCMP operates detachments in local communities, a territorial headquarters in Yellowknife and a national headquarters in Ottawa. A minimum of 2 officers is needed for a local detachment. Available funding and workload considerations drive the need for a local detachment. Twelve small communities in the NWT do not have a local detachment and are served by the detachment located in the nearest community, through regular visits and call-outs as determined to be necessary by the RCMP.

The GNWT spends approximately $20,000,000 (2001-2002) for RCMP services, which are cost-shared with the Government of Canada. The operation of an RCMP detachment in a small community costs approximately $500,000 annually. The GNWT, through the Department of Justice, does provide some contribution funding to support the training of community constables. Figure 5-2 provides a brief description of where local RCMP detachments are located and what services are provided from RCMP headquarters.

Figure 5-2.
RCMP Services

Activity	Who delivers the service?	Where is the service delivery based?	Is the service accessible?
Local Policing	RCMP Detachments	RCMP detachments in all communities except for the 11 communities in Group 3; and 1 community in Group 2 - Hay River Reserve	The communities without detachments are served by the detachments in the nearest community. A central number for the NWT to direct after-hours call-outs.
Services such as: • Drugs • Forensics • Major Crimes • Federal enforcement • Protective Services • Diamond Services • Commercial Crime • Criminal Analysis, etc.	HQ RCMP services	Yellowknife	RCMP HQ determines the use of these services.

C. Addictions Services

Alcohol and drug abuse are a cause of significant problems in the NWT. The Committee Members are concerned about the quality and availability of the local services which support peoples' decisions to become and stay sober and drug-free. The Health and Social Services Authorities provide contribution funding to local organizations which then employ an Addictions Counselor. The local counselors undertake a variety of individual counseling and referrals as well as prevention and promotion activities in the community. For a variety of reasons, the Health and Social Services Authority may choose to provide a visiting counseling service with their own staff. There are also treatment centres which provide a residential program. The GNWT spends approximately $12,000,000 (2001-2002) to deliver these Addictions Services.

In September 2002, the Department of Health and Social Services released an independent consultant's evaluation of the Addictions Services in the NWT. The Department of Health and Social Services is reviewing the report with the Health and Social Service Authorities and other stakeholders in order to determine next steps and recommendations for this service in NWT communities. The Committee is looking forward to hearing from the Minister about his next steps in the important service area. Figure 5-3 provides a brief description of the Addictions Services available in the NWT.

Figure 5-3.
Addictions Services

Activity	Who delivers the service?	Where is the service delivery based?	Is the service accessible?
Counseling, Assessment and Referrals	• Addictions Counselors • Nurses • Doctors	There are Addictions Counselor positions in all communities except for: • Kakisa • Jean Marie River • Trout Lake • Nahanni Butte • Wrigley • Detah • Sachs Harbour • Paulatuk	The local Counselor is accessible. In communities without a local counselor, residents are supposed to access the services of the Health Centres or occasional visits of counseling teams.
Medical Detox Programs	• Hospitals	Yellowknife, Hay River and Inuvik - there is also a non-medical detox program in Yellowknife.	HSS reports that are no significant delays to accessing these services.
Residential Treatment Programs	For adults: Natsejee K'eh Treatment Center. For youth: southern institutions. For adults with multiple problems: southern institutions.	• Hay River • Out of NWT • Out of NWT	HSS reports that are no significant delays to accessing these services.
After-Care and Support	Addictions Counselor	There are Addictions Counselor positions in all communities, except: • Kakisa • Jean Marie River • Trout Lake • Nahanni Butte • Wrigley • Detah • Sachs Harbour • Paulatuk	The local Counselor is accessible. In communities without a local counselor, residents are able to access the services of the Health Centres or occasional visits of counseling teams from regional centres.

D. Access to Public Housing

The Committee Members are aware that access to housing is a very significant concern in all 27 of the smaller communities. In 2001-2002, the NWT Housing Corporation spent approximately $80,000,000, including capital, to deliver housing programs and services. In the small communities, access to affordable housing is not just a problem for low-income residents. Housing is not easy to access for GNWT staff or community government staff. Many of these persons are not able to access the Housing Corporation's Home Ownership Programs because they do not meet the programs' residency requirements. Other residents complain that the Home Ownership Programs are not flexible enough to meet the needs in small communities. For example, it is reported that the Expanded Down Payment Assistance Program has insurance requirements, which are unlikely to be achieved in a smaller community. The available fire protection services are below the minimum standard needed to obtain the insurance. This means that many residents are unable to access this program. Figure 5-4 provides a brief description of the service delivery locations for the Housing Corporation.

Figure 5-4.
Housing

Activity	Who delivers the service?	Where is the service delivery based?	Is the service accessible?
Public Housing	Local Housing Organizations	There are Local Housing Organizations in all communities except: • Trout Lake • Nahanni Butte • Jean Marie River • Fort Liard • Wrigley • Colville Lake • Kakisa • Wha Ti • Gameti • Wekweti	There are public housing units in all communities except: • Trout Lake • Nahanni Butte • Jean Marie River • Fort Liard • Colville Lake • Kakisa • Wekweti The demand for public housing continues to be far greater than the NWT HC is able to provide.
Home Ownership Programs	NWTHC district staff There are also a few communities where the service delivery responsibility is contracted to a local service provided usually the Band, for example, Rae.	Service delivery is based In the district offices, which are located in: • Inuvik • Norman Wells • Fort Simpson • Hay River • Fort Smith • Yellowknife	The demand for Home Ownership Assistance continues to be greater than the Housing Corporation is able to provide.

5.3 Research Completed

Committee Members were interested in learning about the services provided by community governments in different communities, because we realize that community governments are very important service providers in all communities. The research focused on the types of services, which are provided by community governments. The community governments of Tuktoyaktuk, Tsiigehtchic and Fort Resolution were selected for this research because they represented a reasonable cross-section of geographic location, population and community government type. This allowed for a comparison of services from one community in each of the groups of communities. The City of Yellowknife also agreed to participate in the research. The services offered by the municipal government were identified and the user fees for those services were described. Managers and other community government staff were consulted about this information and had an opportunity to review the information gathered about their community government. The key findings are:

- User fees are more likely in the larger communities.
- Larger communities deliver a wider range of municipal programs and services.
- Small community governments are more likely to deliver a wide variety of programs and services, which are not considered to be strictly "municipal" services, through funding arrangements with other agencies and departments.

The Committee Members were also concerned about issues related to accessing services in the smaller communities. Three service areas were selected; RCMP services, Addictions Services and Housing. Departments provided information to assist with the description of how these services were delivered in the communities. The key findings are:

- Each department, board or agency establishes and adjusts their own service delivery and access guidelines and expectations for the communities they serve.
- The smallest communities have fewer services based in their communities.
- Community residents have high expectations about having RCMP services in their community and about access to public housing.
- Access to short-term addictions treatment programs seems to be available. There is a considerable challenge to determine what types of local services can be most effective.

5.4 Community Consultations

The representatives of the eleven smallest communities agreed that Access to Services was a priority concern for their communities. Figure 5-5 provides an overview of the concerns and suggestions that the group discussed during their workshop. The other two groups did not discuss service issues directly, but raised many similar issues, as seen in Chapters 3 and 4.

Figure 5-5.
Concerns about Accessing GNWT Services
As expressed by the representatives of the 11 smallest communities

Issues

- *“Attitudes of regional staff is poor and don't react unless there is intervention by a MLA”*
- *“Liability issues”*
- *“Meeting Canadian national standards regarding amounts of water and quality”*
- *“Resources don't fund professional services”*
- *“Overstepping of boundaries by the GNWT and no consultation”*
- *“Don't know where to go” as services only available in larger centers, who is doing the referrals or has the forms”*
- *“Decrease in personnel to handle the requests”*
- *“Different classifications of communities”*
- *“Lack of consistency in services, even programs within the department”*
- *“Inconsistency of communications/technology for communities, i.e. Trout Lake has no Internet connection”*
- *“No consistency of personnel in a community, i.e. teachers”*
- *“Lack of support from department staff (regional/HQ) to help communities”*
- *“Access to outside world limited for smaller communities, i.e. no regular scheduled flights only charters”*

New directions

- *“Improving communication”*
- *“MLAs need constituency assistant in each community”*
- *“Service agreements between communities and departments outlining obligations and responsibilities”*
- *“Health services, need to have a standard that every community receives, equal treatment”*
- *“Delivery of programs/services from the community not from another location”*
- *“GNWT to make a serious commitment to raise standards of for water, dust control”*
- *“Contract services that the GNWT provides so that these contractors would answer to community, not GNWT”*
- *“Block funding to back up the services community delivers”*
- *“Support services from GNWT to have successes, not failures”*
- *“Hamlet could provide services in remote locations less expensively than businesses from regional centers”*

5.5 Key Issues

A. Service Delivery Decisions

It appears that service delivery decisions are made in a unique way by each department for each program in each community. Stakeholders in small communities and MLAs are not certain about how these decisions are made. Each community appears to have a slightly different array of GNWT services based in the community. The use of service delivery standards and the ability of the GNWT to meet its service delivery standards should be linked to the GNWT's capital planning. For example, many services, which are delivered by GNWT staff travelling to smaller communities, are severely hampered by the inability of GNWT staff and agency workers to meet with their clients in an office. Many of the smaller communities do not have a GNWT office for travelling staff to work and meet in. Their community government offices are already over-occupied.

B. There is a significant gap between community expectations about RCMP Services and Public Housing, and what the GNWT is able to provide

Residents in these small communities have high expectations about increased service levels for:

- RCMP local policing services; and
- Public Housing.

C. The GNWT is in the midst of determining what local addictions services could actually result in the reduction of the alcohol and drug problems in small communities

Residents in these small communities have high expectations about the government's ability to deliver an effective local service that will assist to reduce the harm caused by addictions and abuse of alcohol and drugs. This is a very challenging issue, not just for the GNWT, but for many Canadian communities and service providers, as well.

5.6 Recommendations for Change

A. Establish Service Delivery Standards in smaller communities and be accountable for meeting the standards

Service delivery standards in the 27 communities should be identified and communicated for all GNWT services. This should include community-based services as well as the services, which are not based in the community. The GNWT should be able to describe and deliver a common set of services for a group of similar communities. For example, a Community Health Centre may have 2 nurses and a Community Health Worker who deliver a certain number and kind of clinics in a year. A Business Development Officer from RWED might be expected to visit each community in a region monthly. A group of similar communities should have the same service standards.

It would also be helpful if all GNWT departments used the same groups of communities to define their service standards. These groups do not need to be the groups that the Committee worked with, for its own research and consultations. The GNWT should report on its ability to meet the service delivery standards annually.

Service delivery issues and needs should be linked to the capital's planning.

When a GNWT department, board or agency proposes to establish or adjust a service level, the affected stakeholders should be consulted as part of the decision-making process.

Figure 5-6 provides an overview of the implications of this change.

Figure 5-6.
Implications for the GNWT of "Establishing Service Delivery Standards"

Is this change urgent?	Service standards assist with ensuring fairness and equity.
What would it cost?	No new funding needed
When could it be accomplished?	It is estimated that it would take up to 1 year with a small task team to produce a plain language user-friendly GNWT document of GNWT-wide service standards.
How would Northerners likely react?	Some northerners would appreciate the increased accountability.
What would be the result of this change?	This could, perhaps, provide a better basis for planning and funding.

B. Increasing and Strengthening Access to Policing Services

The GNWT should expand its support for the Community Constable Program and the First Nations Policing Program as the way to respond to the expectation for more local policing services. These programs not only build the capacity of northern peoples, they are focussed on the visible and day-to-day community policing services that community residents expect. This initiative would require the involvement and support of the community government. Figure 5-7 provides an overview of the implications of this change.

Figure 5-7.
Implications for the GNWT of "Increasing Access to Policing Services"

Is this change urgent?	No.
What would it cost?	This would cost less than RCMP services, but would require new funds.
When could it be accomplished?	A significant move towards these services should be made in the next 3-5 years.
How would Northerners likely react?	Northerners will have mixed views about the likelihood of success of this initiative.
What would be the result of this change?	Increased and more appropriate local policing services at less cost.

C. Increase Access to the Home Ownership Programs

The GNWT should expand its programs and services related to home ownership. Wherever possible, northerners in small communities should remain or become homeowners. This should be accomplished, in part, by considering block-funding approaches wherever a community government is ready and willing. Figure 5-8 provides an overview of the implications of this change. This could also be accomplished by providing more assistance to people who need to resolve their debt problems with the GNWT. Often these people have a long outstanding debt with the GNWT for a service such as land leases, property taxes or public housing. Home ownership programs require these debts to be resolved. Often these debts are not very large. The individual often needs guidance and help with structuring a re-payment program, perhaps even as part of a housing program. This is the kind of flexibility that could result in greater access to home ownership programs in the smaller communities.

Figure 5-8.
Implications for the GNWT of "Increasing Access to the Home Ownership Programs"

Is this change urgent?	This change is urgently needed.
What would it cost?	The costs are identified in Chapter 3 as an increase in the capital budget. Some of these programs are cost-shared with CMHC, so the GNWT contribution is enhanced.
When could it be accomplished?	Spending on housing can begin immediately, since the programs and managers are already in place.
How would Northerners likely react?	Northerners need housing and would be supportive.
What would be the result of this change?	Increased home ownership.

D. Emphasize the importance of support for prevention programs

The Committee Members do not have the expertise to be able to define the local services needed to reduce alcohol and drug abuse. However, as already identified in Chapter 4, the Committee Members agree that the GNWT should emphasize the importance of its prevention efforts as the best way to increase the response to the alcohol and drug abuse problems in small communities. The Committee looks forward to the Minister's review of this issue with his Boards and department, which is presently underway. Figure 5-9 provides an overview of the implications of this change.

Figure 5-9.

Implications for the GNWT of "emphasizing the importance of support for prevention programs"

Is this change urgent?	Finding ways to deliver more effective prevention programs is very urgently required.
What would it cost?	Prevention costs less than Treatment.
When could it be accomplished?	This is covered in the Chapter 4 recommendations.
How would Northerners likely react?	There are probably mixed views.
What would be the result of this change?	Long-term change is hard to get started and happens slowly.

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Chapter 6: Other Topics

6.1 Introduction

This Chapter reviews topics that have emerged during the Committee's consultations and discussions, and are essentially complementary to the more focused topics in the other chapters of this report. This chapter includes the following topics: Lessons Learned in Other Jurisdictions; some recommendations concerning GNWT Organization and Structure, and GNWT Reporting; and Future Directions for the Committee.

6.2 Lessons Learned in Other Jurisdictions

The Committee Members wanted to gain a wider perspective about service delivery approaches for small communities. A research project was initiated to learn about service delivery strategies in other jurisdictions. The research was primarily a literature and database review, including library and university databases, searching for references to service delivery options in small, remote and/or aboriginal communities. The researcher also identified how different provincial governments are organized to support their smaller communities. Provincial governments in Canada use a variety of different organizational structures to respond to the needs of their aboriginal and remote communities, sometime consolidating some services and resources into various single window agencies.

The findings indicate that many service providers are concerned about how their services can be more effective for their residents in small, remote, aboriginal communities. There seem to be four shared trends, which are evident in the changes affecting service delivery for these communities. These follow:

1. Service delivery, in relative and absolute terms, is becoming more co-coordinated and integrated. This is especially evident in relation to the delivery of health services and, in particular, the delivery of prevention and population health programs and services.

2. Effective service providers acknowledge their role to contribute to building capacity in communities. Government agencies and organizations are increasingly interested in the perspectives of the residents about the delivery of their services. They recognize that these residents must be involved in planning or changing local and regional services and determining service delivery options and choices.

3. Residents in small aboriginal communities expect to know with certainty and clarity which order of government is responsible for providing identified programs and services and what delivery standards can be expected. There are increasing requirements for service providers to become more accountable for the appropriate delivery of services.

4. Funding arrangements and mechanisms are changing. There are changes towards consolidation of funding sources, multi-year agreements, funding predictability and incentive-based funding components. As well, formula-based funding increasingly incorporates factors, such as, population, remoteness and service standards.

6.3 Recommendations for Change

A. GNWT Structure and Organization

The Committee Members have learned about perspectives about the GNWT organization through the consultation workshops. As the result of their discussions, the Committee has identified several recommendations to improve the quality of GNWT support to the smallest communities. The Band Managers in the smallest communities are often challenged to maintain the most working knowledge about the GNWT. A Band Manager could easily be expected to stay "current" with more than twenty GNWT representatives at Headquarters and the regional offices, simply in order to maintain funding for various projects and find quick ways to resolve day-to-day issues in the community. As well, GNWT employees need to be able to provide more information about all GNWT programs and services and be ready and willing to assist community residents with their forms and questions. In our view, the GNWT should increase its orientation to community-based service based on the following recommendations:

The Committee recommends that the GNWT:

(i) Implement changes to ensure that GNWT regional staff are able provide more coordinated assistance to the organizations and residents in the smallest communities.

- Identify a team of GNWT employees in Fort Simpson who would coordinate their work with the four smallest communities in the Deh Cho region; Nahanni Butte, Jean Marie River, Wrigley, Trout Lake.
- Identify a team of GNWT employees in Inuvik who would coordinate their work with four smallest communities in the Beaufort-Delta Region; Sachs Harbour, Paulatuk, Tsiigehtchic and Holman.
- Challenge these employees to work with these communities to improve the well being of their residents through a comprehensive, sustained community-based effort.
- Ensure that these employees visit these communities more often and are able to provide more information and assistance to residents about all GNWT programs.
- Maximize the regional responsibilities for service delivery functions in small communities, while minimizing the Headquarters' service delivery functions.

(ii) Require that its departments and agencies hold their smaller meetings, conferences and workshops in the smaller communities. This will ensure that staff visit these communities and become more familiar with needs and service delivery mechanisms in the NWT and will provide an economic benefit from GNWT expenditures in these communities.

(iii) Encourage and support its employees to visit all their small communities more frequently. These employees need to be available regularly in small communities to provide information and assistance to residents about all GNWT programs.

(iv) The GNWT should require that its departments and agencies hold their smaller meetings, conferences and workshops in the smaller communities. This will ensure that staff visit these communities and become more familiar with needs and service delivery mechanisms in the NWT. This also provides an economic benefit from GNWT expenditures in these communities. The Committee Members are not asking for the large conferences and workshops to use unworkable arrangements. We know that every department routinely pulls together 6 to 8 regional and headquarters representatives for discussions and meetings. These meetings should be held outside of the regional centres and Yellowknife, whenever possible.

(v) The GNWT should encourage and support its employees to visit the small communities more frequently. The Committee is convinced that if more employees become more experienced with the challenges of community life in the smaller places, then that experience will be evident in the development of policies and programs that better serve the residents in these small communities.

B. GNWT Reporting

The Committee Members and its researchers worked with numerous reports and data from the GNWT. Up-to-date information is critical to support the consideration of issues and recommendations. The Committee worked with information from the 1998-1999 Geographical Tracking Report, because there is not a more recent report. There were no consistent annual reports about capital expenditures, although FMBS did distribute a report about the budgeted costs of capital projects. The Committee recommends that the GNWT:

(i) Publish the Geographical Tracking Report of Expenditures in a timely fashion, annually.

(ii) Publish an annual report about capital expenditures, including the results of the ranking and allocation processes.

(iii) Publish an annual report about the delivery of GNWT services to identified standards.

(iv) Publish an annual resource guide to programs and services, including application-based contribution funding;

All of these reports need to use plain language, "user-friendly" text and charts.

Appendix A: Community Government Services and User Fees

The following figures show what services each community government provides and what residential users are charged for those services. The services are grouped into 5 service functions – water, sewage and garbage, land and roads, recreations, other and non-municipal services. In some cases, the services, which are not provided by a community government, are delivered by the GNWT. There are 2 important services, which the GNWT does provide on behalf of community governments:

- Community Lands, which is administered by MACA, until a community government assumes this responsibility. This can include planning, development and leasing of lands and the provision of granular resources.
- Property assessment and taxation, which is administered by the Departments of MACA and Finance, until a community government assumes this responsibility,

In other cases, the services, which are not provided by a community government, are also not delivered by the GNWT. An example is library services. In the communities without library services, the schools usually provide library resources for school children, but there is no library service outside of the school.

Figure A-1. Water and sewage, garbage and solid waste disposal services

Tsiigehtchic	Fort Resolution	Tuktoyaktuk	Yellowknife
Trucked water is provided on schedule, 7 days/week: • Water, sewage services are contracted • About $66 monthly for a 4 person family in a privately owned home and using 15,000 liters per month • These user charges are about 3% of O+M costs and these users consume about 55% of the total volume used by the community	Trucked water is provided on demand - 7 days/week: • Sewage pump-out is contracted • About $60 monthly for 4 person family living in a privately owned home and using 15,000 liters per month • These user charges are about 15% of O+M costs and these users consume about 50% of the total volume used by the community	Trucked water is provided on schedule – 7 days/week: • Water, sewage are contracted services • About $65 monthly for 4 person family living in a privately owned home and using 15,000 liters per month • These user charges are about 5% of O+M costs and these users use about 40% of the total volume used by the community	Most residents are serviced with piped water and sewer services: • About $51 monthly for 4 person family in a home using 15,000 liters per month • All user charges cover about 100% of the O+M and 50% of the capital costs
Garbage at residential locations is collected 3X each week • Contracted service • No charge for garbage collection	Garbage at residential locations is collected 2x per week • Contracted service • No charge for garbage collection	Garbage at residential locations is collected 6x per week • Contracted service • Private home owners are charged $15 monthly for garbage collection	Garbage at residential locations is collected 1x per week • Contracted service • Residents are charged $10 a month for garbage collection Recycling and hazardous waste disposal sites at landfill A Waste Management Coordinator tries to improve recycling and minimize landfill needs
No tipping charge at the landfill	No tipping charge at the landfill	Landfill tipping charges start at $50	Landfill tipping charges start at $20

Figure A-2. Land and Road Services

Tsiigehtchic	Fort Resolution	Tuktoyaktuk	Yellowknife
Road maintenance and clearing Streetlights operated and maintained	Road maintenance and clearing Streetlights operated and maintained	Road maintenance and clearing Streetlights operated and maintained	Road construction, including traffic lights, street lights and sidewalks • Road construction contracted • Road maintenance own forces
General Planning, Land Use Planning and Zoning, including lot and subdivision planning	General Planning, Land Use Planning and Zoning, including lot and subdivision planning	General Planning, Land Use Planning and Zoning, including, lot and subdivision planning	General Planning, Land Use Planning and Zoning, including lot and subdivision planning, development and sales • Can be contracted
Council reviews development applications (Not a technical review and does not establish land tenure)	Council reviews development applications (Not a technical review and does not establish land tenure)	Council reviews development applications (Not a technical review and does not establish land tenure)	Development Approvals and building permitting (technical reviews by Planning department and there can be reviews through appeal processes) Lot purchaser is charged full costs for servicing and development of lots Builders are charged for each development approval, permit and inspection

Figure A-3. Recreation Services

Tsiigehtchic	Fort Resolution	Tuktoyaktuk	Yellowknife
Outdoor skating rink, school gymnasium, play ground and ball field • There are no user fees for the use of these facilities for youth programs	Arena, school gyms, ball park • There are no user fees for the use of these facilities for youth programs	Arena, summer pool, Hall and school gyms, ball park • There are no user fees for the use of these facilities for youth programs	Arenas, indoor pool, school gyms, fields, meeting rooms, parks, ski trails, walking paths • Many facilities have user fees, there may be a reduced rates for youth group use
Limited variety of sports, recreation, programs and events, especially limited for adults, organized by residents and Recreation staff • Travel assistance for children to participate in waterfront program at nearby community • Youth do not have to pay fees for most programs	Variety of sports, recreation programs and events, organized by residents and Recreation staff • Water front program for children in the summer • Youth do not have to pay fees for most programs	Variety of sports, recreation, programs and events, organized by residents and Recreation staff • Youth do not have to pay fees for most programs	Wide variety of recreational and sports programs and events, including summer playground programs, organized by residents and Recreation staff • Most programs have cost-recovery user fees • Arenas are charged at $75 per hour to youth groups and $150 per hour to adult users • Swimming pool charges $2.50 for youth user and $4.25 for adult user Library • No charge for library services

Figure A-4. Other Community Government Services

Tsiigehtchic	Fort Resolution	Tuktoyaktuk	Yellowknife
Business Licensing starts at $50		Business licensing starts at $50	Business licensing starts at $100
Disposal of stray dogs	Disposal of stray dogs	Disposal of stray dogs	Dog licensing and dog-catching of stray dogs
Spring clean-up community event	Spring clean-up grant to school "grad" event	Spring clean-up provides wages to local youth	Spring clean-up grants to youth groups
Emergency management planning for flood and fire	Emergency management planning	Fire-fighting services Emergency management planning	Fire-fighting services "After fire" clean-up is charged at full cost recovery Burning permits Emergency management planning
Lottery licenses		Lottery licenses start at $50	Lottery licenses starts at $50
		Snowmobile licensing at $10	Snowmobile licenses at $25
		Economic development, tourism services and support	Economic development, tourism services and support

Figure A-5. Other Services provided by the City of Yellowknife
(For which there are no similar services in Tsiigehtchic, Fort Resolution and/or Tuktoyaktuk)

Administers Property assessment and property taxation (for an average family home, annual property taxes are $1200)

Collects education taxes on behalf of school boards (for an average family home, annual education taxes are $900)

Weekly newsletter, on-line information and payment services

Parking meters for downtown parking – fees are charged

Ambulance services – fee is charged

Motor Vehicles Act enforcement – fines are charged for violations

Public transportation - $2 a ride – about 40% costs are recovered from these user fees

Figure A-6. Non-municipal services which are provided			
Tsiigehtchic	**Fort Resolution**	**Tuktoyaktuk**	**Yellowknife**
RWED provides funding for an EDO Sewing program Operation of Community radio station –with ECE Mental Health Services, Home Care –Inuvik HSS (Band) Renewable Resources Co-coordinator –RWED (Band) Tenant Relations NWT HC Retail Store (Band ownership) Road and ferry Contracts with Transportation (Band)	Transportation contracts with the Settlement for assistance with appointments etc for Motor Vehicles Division Northwestel contracts with the Settlement for assistance with bill payments and appointments NTPC contracts with the Settlement for assistance with bill payments and appointments.	RWED provides funding for an EDO Transportation provides funding for airport maintenance and CARS (airport radio) ECE provides funding for the Income Support program MACA provides a contribution for a secretarial function	

APPENDIX B

No. 6-14(5)

Northwest Territories Legislative Assembly

Motion

ESTABLISHMENT OF A SPECIAL JOINT COMMITTEE ON NON-TAX-BASED COMMUNITY AFFAIRS

WHEREAS there is a trend of people moving from smaller communities to larger centres for employment and services;

AND WHEREAS the small communities of the Northwest Territories represent enduring remnants of a traditional social and cultural existence that must be recognized and preserved;

AND WHEREAS the interests of small NWT communities deserve the attention and consideration of the Legislative Assembly;

NOW THEREFORE I MOVE, seconded by the Honourable Member for Mackenzie Delta, that this Legislative Assembly establish a Special Joint Committee on Non-Tax-Based Community Affairs;

AND FURTHER, that the Special Joint Committee shall be comprised of four Regular Members and one Member of the Executive Council whose appointment shall be recommended by the Striking Committee;

AND FURTHERMORE, that the terms of reference for the Special Joint Committee on Non-Tax-Based Community Affairs be established as follows:

The Special Joint Committee on Non-Tax-Based Community Affairs shall:

1. Consider and make recommendations respecting alleviating adverse socio-economic conditions which may exist in non-tax-based municipalities; and
2. Prepare an interim report to the Legislative Assembly, by the fall session of 2002; and a final report with recommendations no later than February 2003 that identifies a process or processes whereby the Legislative Assembly and the Government of the Northwest Territories can better address the unique needs, concerns and difficulties experienced by non-tax-based communities in the Northwest Territories.

Date of Notice: March 6, 2002
Date of Introduction: March 6, 2002
Disposition: Carried
Carried: March 6, 2002

Moved by: Mr. Nitah
Seconded by: Mr. Krutko
Ruled Out of Order:

AND FURTHERMORE, that the Special Joint Committee shall:

a) conduct its business in a manner approved by the Committee and in accordance with the Rules of the Legislative Assembly, and which does not impinge or encroach on the mandate of any existing Standing or Special Committee;

b) conduct its consultation through a maximum of two territorial conferences attended by leaders of non-taxed-based communities;

c) be provided with the necessary administrative and professional support by the Legislative Assembly; and

d) be provided with the necessary funds to carry out its responsibilities from the appropriations of the Legislative Assembly.

March 6, 2002 Mr. Nitah

No. 8-14(5)

Northwest Territories Legislative Assembly

Motion

MEMBERSHIP ON THE SPECIAL JOINT COMMITTEE ON THE NON-TAX-BASED COMMUNITY AFFAIRS

WHEREAS the Legislative Assembly has established the Special Joint Committee on Non-Tax based Community Affairs;

AND WHEREAS the membership of the Special Joint Committee is to consist of four Regular Members and one Member of the Executive Council;

AND WHEREAS the Striking Committee are prepared to recommend the membership of the Special Joint Committee;

NOW THEREFORE I MOVE, seconded by the Honourable Member for Mackenzie Delta that the following Members be appointed to the Special Joint Committee on Non-Tax-Based Community Affairs:

Mr. David Krutko, the Member for Mackenzie Delta;
Mr. Leon Lafferty, the Member for North Slave;
Mr. Michael McLeod, the Member for Deh Cho;
Mr. Steven Nitah, the Member for Tu Nedhe; and
Hon. Vince Steen, the Member for Nunakput.

Date of Notice: March 12, 2002
Date of Introduction: March 12, 2002
Disposition: Carried
Carried: March 12, 2002

Moved by: Mr. Nitah
Seconded by: Mr. Krutko
Ruled Out of Order:

APPENDIX II

TABLED DOCUMENT NO. 32 14 (6) TABLED ON FEB 2 8 2003

GOVERNMENT RESPONSE TO *STRENGTHENING GNWT SUPPORT TO SMALLER COMMUNITIES:*

Interim Report of the Special Joint Committee on Non-Tax-Based Community Affairs

1.0 INTRODUCTION

Strengthening GNWT Support to Smaller Communities provides a thoughtful analysis of the issues and challenges facing hamlets, settlements and charter communities of our Territory. In a very short time, the Committee has put together an excellent Interim Report, which in some ways is already providing guidance to the GNWT as it has identified key areas where the Government needs to change the way it does business.

The Government of the Northwest Territories (GNWT) agrees with the Special Committee's statement, "The 27 communities differ from the regional centres and Yellowknife in more than just population". With this in mind, the GNWT offers the following response to the Special Joint Committee's Interim Report. It is hoped that this response will assist the Committee in preparing its final report.

The Government looks forward to the Committee's final report and the further advice and guidance it will provide.

2.0 RESPONSE TO CHAPTER 3: CAPITAL PLANNING AND CAPITAL FUNDING

GENERAL COMMENTS

The Committee's Interim Report provides a thoughtful analysis of the issues facing the non-tax-based communities. In particular, the Committee has done an effective job of summarizing many of the issues associated with the Government's current approach to planning and budgeting for infrastructure. In order to build a better tomorrow for all Northwest Territories (NWT) residents, we need to address all of the issues the Committee has identified in Chapter 3 of its Interim Report.

Chapter 3 of the Interim Report suggests that the Committee's concerns fall into two general categories. Recommendations A to D deal with the current process used to plan for and fund capital infrastructure in NWT communities, while Recommendation E deals with the shortage of funds for capital infrastructure.

The GNWT agrees that substantial improvements can be made to the current way capital projects are budgeted for and carried out. The way the GNWT acquires capital infrastructure is changing and there is a need for further work in this area. While the issues are challenging, the Government is committed to moving forward with substantive change.

Some of the Committee's observations can be addressed in the short term, for the 2004-2007 Business Planning cycle. For example, the Government is prepared to propose immediate improvements to the community consultation process, and to consider the Committee's recommendation to modify the ranking criteria and allocation process to better address community concerns and priorities.

Some of the Committee's recommendations will require a longer term approach. For example, the Government recognizes the need to provide effective support to community governments to do their own capital planning and project management.

Meeting the Committee's Recommendation E will not be so easy. Severe funding constraints will limit our ability to increase the funding available to obtain or enhance infrastructure.

RECOMMENDATION A

"Provide better support to small community governments and assist them to do their own capital planning, project management and engineering."

The Government agrees with the substance of the Committee's recommendation. Community governments are a third level of government and ultimately, must be responsible for all elements of infrastructure planning and acquisition. Over the past few years, Municipal and Community Affairs (MACA) has taken steps in this direction through moving to formula funding for all communities, and in the near future will introduce amendments to existing municipal legislation that will expand community authority and accountability.

The challenge for the GNWT and communities is to ensure that communities have the capacity to do their own capital planning and project management, and have access to the support they need to do so.

MACA has implemented a pilot project for the provision of engineering services for communities in the Tlicho Region. Through a service contract, a private engineering consulting firm provides infrastructure planning services (including the development of each community's capital acquisition plan), and infrastructure project design services for capital projects under $100,000 (including document preparation, tendering and project management). MACA monitors the delivery of the work carried out under the contract and assists the communities as required.

MACA will see the Community Engineering Services Pilot Project through to completion during 2003, with a view to evaluating its successes and failures, and making changes as required with the goal of making such services available to other groups of communities in the future. In the meantime, MACA will assess department resources with a view to ensuring that appropriate support can be provided to communities.

MACA will work with community governments to develop an inventory-based Infrastructure Management System. This work will include a review of existing systems such as Alberta's Municipal Infrastructure Management System.

At this point, it does not appear that moving to full block funding for community infrastructure is viable. Extensive work, carried out over the past several years, and a review of Financial Assistance Programs and Policies in other jurisdictions have failed to identify a workable approach to capital block funding, particularly in small jurisdictions with limited financial resources. In lieu of implementing a block funding approach, consideration will be given to other approaches to ensuring that a reasonable proportion of the annual capital budget is available for community infrastructure priorities. The Government is also committed to finding ways to support communities in playing a greater decision-making role in the capital planning process.

RECOMMENDATION B

"Improve the community consultation process by establishing a meaningful consultation process that is coordinated across departments, regions and communities, and provides useful information about capital planning."

Beginning with planning for the 2004-2005 fiscal year, the GNWT will revise its consultation process for the development, replacement or improvement of public infrastructure in the NWT. For the 2004-2007 business planning cycle, the Government will put in place a coordinated, interdepartmental capital consultation process. Consultation will be carried out on a community-by-community basis, by an interdepartmental team led by MACA and Financial Management Board Secretariat (FMBS).

A regional team will visit all 27 non-tax-based communities to explain the corporate capital planning process, consult on the GNWT's 20-year needs assessment, and receive input on community priorities. Materials will be developed that describe the corporate capital planning process in plain language, and roles and responsibilities will be clearly defined. The team will seek community feedback on improvements that can be made to the GNWT's capital planning process, and will also be interested in discussion, with community representatives, about opportunities for joint ventures involving the private sector.

MACA and the interdepartmental teams will approach the community consultation process in a fully coordinated manner. Information shared and discussed with community governments will include the government-wide 20-year needs assessment and an early draft of the current 5-year capital acquisition plans.

Communities will receive a full report on the results of consultation and will be informed of final GNWT decisions on which projects will be included in the five-year capital acquisition plan.

For the future, the GNWT is committed to continuing its examination of changes to the corporate capital planning process, which will ensure that the process is responsive to community needs and priorities, within the limitations of available funding. We look forward to further input from communities, and from the Special Joint Committee in its final report, to help identify those changes.

RECOMMENDATION C

"Modify the criteria for prioritizing projects by using fewer and simpler criteria and ensuring that community government facilities are included."

In the short term, (i.e. for the 2004-2007 business planning cycle) the GNWT is committed to reviewing the existing criteria to determine if modifications can be made to address the concerns raised by the Special Joint Committee.

For the longer term, the Government is committed to improving the process for setting capital priorities that will better accommodate community concerns. One option that we will consider is to identify a dedicated pool of capital resources to be allocated to community infrastructure (i.e. infrastructure that is owned by community governments and is essential to the delivery of municipal services).

New resource allocation rating criteria could then be developed, in consultation with community governments that better reflect community needs, circumstances and priorities. Communities would not then be competing for the same pool of scarce infrastructure dollars with projects that serve the regional or territorial population. This approach would allow the Government to establish separate planning processes for community infrastructure and other infrastructure, thereby providing communities with a more direct and meaningful role in the planning and decision-making process.

All the Special Joint Committee's recommendations will be taken into consideration as the new approach is developed.

RECOMMENDATION D

"Document roles and responsibilities for capital planning in clear language, so that it is explained for GNWT staff, community governments and MLAs."

The Government agrees that as the capital planning process has changed over the past few years, an adequate job of clearly explaining roles and responsibilities has not occurred. This has resulted in confusion on the part of some communities, but also among some GNWT staff. A consistent approach to capital consultation has been lacking, and roles and responsibilities have been addressed differently from region to region.

As noted above, MACA and FMBS will take the lead on a coordinated community consultation process for the 2004-2007 business planning cycle. A key part of this process will be the development of materials that explain the corporate capital planning process, and associated roles and responsibilities, clearly and simply.

As new approaches to capital planning are developed, the Government is committed to ensuring that the process is documented and explained clearly to all stakeholders.

RECOMMENDATION E

"Increase the capital budget in order to realistically manage the replacement of the GNWT's aging inventory, respond to growth, and make up for previous year's shortfalls."

As mentioned in the General Comments for this section, the GNWT is faced with severe financial constraints. This restricts the government's ability to increase capital budgets at this time. This is one of the reasons why an effective priority-setting process needs to be in place.

The Government has initiated two research projects to explore the potential for expanding our investment in infrastructure through leveraging investment. More specifically, we are looking at opportunities for investment in public infrastructure by the private sector, the resource industry or other potential partners. We also recognize the need to consider more effective use of existing facilities and the need for design of multi-purpose facilities. All levels of government must explore program delivery approaches that are not dependent on new infrastructure.

3.0 RESPONSE TO CHAPTER 4: DEVELOPMENT AND PREVENTION PROGRAMS FOR SMALL COMMUNITIES

GENERAL COMMENTS

Not surprisingly, the Committee's discussion and recommendations for development and prevention programs mirror a large part of the discussions leading up to the recommendations of the *Draft Social Agenda*. Programs that prevent problems from developing are critical for functioning and healthy communities. The Government agrees with this approach, however, a balance must be maintained between supporting communities while they address their priorities and ensuring that an equitable range of core services are available to all residents of the NWT. It is also essential to note that success in prevention and development programs can only occur through partnerships that include active involvement of community and Aboriginal governments, as well as that of individuals and families. Joint commitment to improving social conditions is essential.

RECOMMENDATION A

"Consolidate prevention and development contribution funding into one fund located in one department and increase the available funding."

In responding to the *Draft Social Agenda*, the GNWT has begun a process to define the core services delivered by program departments. This work will provide a basis for determining what are necessary programs. Once completed, a basis will have been developed from which can be determined what prevention and development funding may be consolidated, while still achieving the goals that have been established for these programs.

In the interim, MACA has developed a $1 million Community Initiatives Program. This program will financially assist non-tax-based community governments and community supported organizations to offer programs that address community priorities in areas of families and youth, healthy lifestyles and safety education with a special emphasis on active living.

In the short term, program departments will begin exploring the possibility of combining application-based development and prevention funding into a reduced number of funding programs.

RECOMMENDATION B

"Simplify the administration of this funding and ensure that communities are supported in the development and implementation of a sustained community-based effort to create lasting changes in the lives of community residents and improve the well-being of the community."

It is well understood that there is frustration on the part of communities by the work required to write proposals and prepare accountability reports for government application-based funding programs. The GNWT sees the need to balance the reduction of unnecessary red tape while maintaining adequate accountability and monitoring of the spending of public money.

Presently, the Government is increasing the use of multi-year funding agreements. At the same time, the GNWT is committed to providing training in basic program evaluation capacity, to all communities, to help them to develop the skills required to effectively access a variety of funding programs (federal as well as territorial), and meet the accountability requirements.

Over the next year, MACA will be reviewing its application and reporting requirements for programs that are application-based with an eye to streamlining the administration so as to ease the burden upon small communities. MACA's new Community Initiatives Program will reflect this streamlined approach.

Following MACA's lead, the GNWT will continue to explore options for reducing red tape and increasing the use of multi-year funding agreements. It is expected this process will decrease the administrative burden upon all NWT communities.

4.0 RESPONSE TO CHAPTER 5: ACCESS TO SERVICES

GENERAL COMMENTS

As the Committee notes, "... the realities of financial and management challenges mean that the GNWT cannot deliver all of its services in every community". Few other parts of Canada face the challenges posed by our geography and small population. These two facts, combined with reduced numbers of available qualified staff and the NWT's financial constraints, create serious impediments as the Government strives to provide high levels of service and program delivery to all residents.

RECOMMENDATION A

"Establish service delivery standards in smaller communities and be accountable for meeting the standards."

As discussed above, as part of the GNWT's response to the *Draft Social Agenda* an inter-departmental effort is underway to define what are the core services of the Government. This review will provide the basis for determining what services the government should be providing, as well as whether the right services are getting to the right people at the right time and place. This is a necessary first step for considering standards of service delivery to all NWT communities.

RECOMMENDATION B

"Increase and strengthen access to policing services by expanding support for the Community Constable Program and the First Nations Policing Program."

Both the Community Constable Program and the First Nations Policing Program require a collaborative effort amongst the Government of Canada, provinces and territories, and communities. The GNWT's Department of Justice is in the process of identifying gaps in the present system and establishing future need. A working group of community representatives, RCMP staff and GNWT officials is currently reviewing the Community Constable Program to identify areas where the program can be enhanced to better meet the needs of the communities. Under the First Nations Policing Policy, there is the potential to create alternative policing arrangements based upon tri-partite agreements with Canada, the NWT and Aboriginal governments. However, any alternative policing arrangement would be contingent upon viable cost-sharing arrangements with Canada and Aboriginal governments. Stand alone police forces are currently not affordable or practical at this time.

RECOMMENDATION C

"Increase access to the Home Ownership Programs by developing block-funding approaches with local governments and increasing the flexibility of housing program eligibility requirements."

Access to appropriate and affordable rental and home ownership units continues to be an issue in small and large communities across the NWT. The high costs for accommodation resulting from increasing construction and land development costs have received particular attention during the past year. The GNWT has taken a number of actions to address these matters. Recently announced actions by the Northwest Territories Housing Corporation to assist developers by lowering administrative costs of construction projects provides one example of direct activity in this area.

The GNWT is committed to further examining the ways in which it can adjust its programs to support increased home ownership and improved availability of rental units. A range of options, including transferring authority for the management of existing public housing stocks to community governments, will be considered. Existing housing support programs will also be included.

RECOMMENDATION D

"Emphasize the importance of prevention programs to increase the response to alcohol and drug abuse problems in small communities"

Challenges around alcohol and drug abuse continue to plague our communities. This is something that governments, communities, non-government organizations, families, leaders and individuals, all share a role in working on to ensure reduction in abuse and prevention of the associated health, wellness and social issues.

The Department of Health and Social Services (HSS) supports Community Addiction Services throughout the NWT. HSS core funds each of the Regional Health and Social Services Authorities to provide community-based Addiction Programs. The Community Addiction Program is intended to:

- Provide communities with support and counselling in the area of addictions;
- Provide referrals to residential addiction treatment centres where necessary; and

- Provide the community with prevention and education initiatives around addiction issues, such as, educating teachers and students in the schools about addictions, working closely with the Community Health Representatives in prevention/promotion activities related to healthy lifestyle choices, etc.

Recommendations from a recent evaluation on the alcohol and drug treatment programs in the NWT have been incorporated into HSS' *Mental Health and Addictions Action Plan*. Consideration is being given to enhancing the current approach in order to make community-based programming and treatment services more effective – this may include employing specialists at the regional level and providing regional support for community-based alcohol and drug workers.

In addition, the Health Promotion Strategy also provides a framework for increased investment in promotion and prevention activities at the territorial, regional, local and individual levels. Health promotion is an internationally recognized and comprehensive approach to preventing illness, reducing harm, building the capacity of residents and promoting increased personal responsibility.

5.0 RESPONSE TO CHAPTER 6: RECOMMENDATIONS ON OTHER TOPICS

GENERAL COMMENTS

Chapter 6 of the Committee's Interim Report discusses how the GNWT can improve its coordination and communication with small communities so that both can work together in partnership. As governance authorities and structures change, it will be important that roles and responsibilities are clearly defined and effectively communicated.

RECOMMENDATION A

"Implement changes in GNWT structure, organization and operations to ensure that GNWT regional staff can provide more coordinated assistance to the smallest communities."

As expressed in the General Comments to this section, the GNWT agrees that improvements in structure, organization and operations should be regularly advanced. The challenge is to find the best ways to make changes. Not only must they assist in building partnerships with communities, but must also make operations more efficient and improve service delivery.

Presently, the GNWT has begun a review of its departmental and headquarters operations. This review is presently exploring a variety of options and should complete a report during the first half of the 2003-2004 fiscal year. However, this work is only the start. Future work to restructure the operations of the Government will require the input of all stakeholders.

The Government will also take the Committee's recommendation regarding dedicated regional teams to assist small communities under consideration. Any such approach will have to be designed to address the unique requirements of the region, and to complement emerging self-government arrangements.

The Government agrees that departments and agencies should hold smaller meetings, conferences, and workshops in small communities, and will actively encourage them to do so.

The Government also agrees that headquarters and regional employees should visit small communities frequently, in the course of fulfilling their duties.

RECOMMENDATION B

"Publish plain language, user friendly reports regarding capital expenditures, service standards, and programs and services in a timely manner."

An important element of good governance is an informed population, for this reason the GNWT has worked to improve the level and quality of information provided to all residents. It is now standard practice to provide detailed and quality information on the results the GNWT is achieving, how public money is spent, and the future direction of the government. Documents such as *Towards Improved Accountability* and the *Public Accounts* provide detailed, plain language information on government operations.

Within the last year, the GNWT, in cooperation with the NWT Literacy Council, has produced the plain language handbook, *Write for Your Reader* and the *Plain Language Audit Tool*. These documents have been distributed throughout the government and will help departments improve the readability of all GNWT publications. Additionally, despite reduced funding, the GNWT strives to provide basic information in the Aboriginal languages where demand warrants.

The Government is committed to improving the quality and quantity of information provided to all residents and will continue this on-going process.